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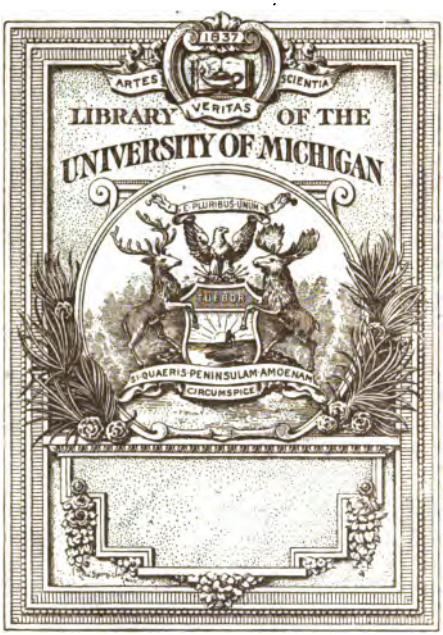
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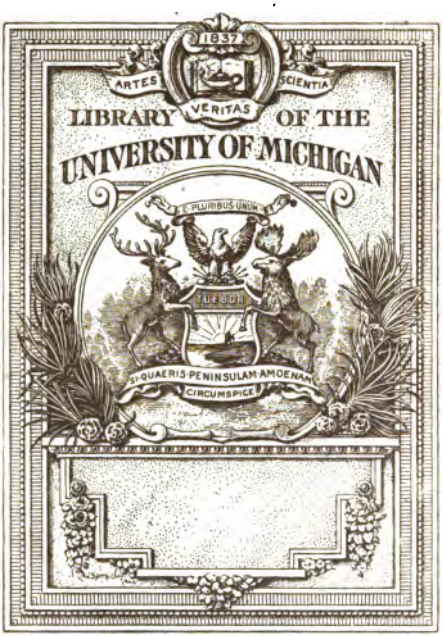
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THE USE OF MONEY

HOW TO SAVE AND HOW TO SPEND

By

EDWIN A. KIRKPATRICK

Author of

FUNDAMENTALS OF CHILD STUDY, GENETIC PSYCHOLOGY
THE INDIVIDUAL IN THE MAKING, ETC.

CHILDHOOD AND YOUTH SERIES

EDITED BY M. V. O'SHEA

PROFESSOR OF EDUCATION, UNIVERSITY OF WISCONSIN

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EDITOR'S INTRODUCTION

Parents have always had more or less trouble in the financial training of their children; and there has probably been no aspect of family life which has been the cause of greater strain and stress than the problem of the child and his money. The problem has grown more acute in our country with the development of urban life, until to-day it has become imperative for the welfare, alike of the family and of the community, that there should be some intelligent plan systematically followed in dealing with the child and the youth in relation to the earning and spending of money.

Present-day family life in the city is not well adapted to give children a right understanding of financial operations small or large. Probably the great majority of city children do not in the ordinary course of events have experiences which impress on them the value of money and the need of restraint, or at least of reasonable economy, in expending it. In many homes, and the number seems to be increasing constantly, the children easily gain the notion that anything they want or that is required for the maintenance of the household can

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be secured by telephoning for it. Those who spend the funds of the household ordinarily do not produce them. In the city children usually do not come into contact with the workers of the household when the latter are exerting themselves to earn the money with which to pay the bills. When the father is at home the children tend to regard him simply as one member of the household, and he makes little or no impression on them as a producer. When their requests for money are not readily granted they tend to look on the one who controls the resources as "mean" or "stingy." When one has not put forth effort one's self as a producer one can not easily take the point of view of the one who has earned by the sweat of his brow, and who is disposed to expend the results of his effort only for necessary purposes. Further, when children are in no way responsible for meeting the obligations created by the household, they can not realize the necessity of being cautious about incurring obligations. It was different in an earlier day, however, when the children lived close to the parent who was working to secure money, and when they heard every one around them talking about not contracting a debt until one had the money to pay for it. Then they gained experience which enabled them to

interpret a dollar in terms of actual work; that is, they learned to appreciate the value of money.

The writer has had the confidence of some parents regarding financial experiences with their children. Here is a more or less typical case. A man now forty-five years of age has acquired a reasonable competence by hard work and thrifty habits. He has a family of four children, the oldest nineteen, the youngest eight. In order to make his wife and children happy and to save them from hard work of every kind he has provided them with an attractive home and has willingly paid their bills up to the limit of his capacity. But with growing years the demands of his children have constantly increased, until now he can not meet them. Until recently he has never discussed any business matter in his household. It has been the custom for his wife and children to telephone for practically anything they wished and order the bill to be sent "to the office." As a consequence they have come to feel that the chief trouble involved in securing what they wish is in telephoning for it, or in waiting to have it made or delivered. That some one has had to earn what they have expended has not been deeply impressed on them. The father has found it necessary of late, however, to talk to his children

with income? Should they actually see the bills as they are presented? If they are paid by check, should the children write the checks? Should a child be given a certain amount which he may expend according to his desires, and should he be limited in his expenditures exactly to this allowance? If children are given a definite sum each week or month, will they come to expect this as a right, and will this lead them to think that the funds are supplied from heaven, and no one has to earn them? Does it preserve more intimate and natural relations between child and parents for the former to go each time to the latter for money to secure what he desires? Is it possible to overemphasize with children the necessity of saving? Should they be impressed with the desirability of developing productive power, rather than of taking too much thought about saving in details? How early should children be required to earn money, and in what ways? How can the work of the school extend and reinforce the training of the home in giving children a knowledge of the value and proper use of money? Should children in the manual-training or domestic-science departments of high schools receive pay for their work if they can sell their products? Will the keeping of regular accounts of

receipts and expenditures help to make a child conscious of the relation of income to outgo, and the need of always preserving a proper balance between them?

It is the purpose of *The Use of Money* to discuss in a concrete practical way the above questions and many others of similar character and equal importance. Professor Kirkpatrick has long been a careful student of the financial training of the young and he has made special investigations for the present volume. A large number of adults have answered his *questionnaires* relating to their experiences with money when they were young, and the results of different methods of instruction and training. Any parent or teacher who has not himself made a special study of the problems considered in this book could hardly fail to receive pleasure and profit from reading it. If the practical principles presented herein could be generally observed in the home and in the school the oncoming generation would have a better comprehension of what money means and better habits in regard to its expenditure than have the majority of the young people we see about us who have received only incidental training in regard to these matters.

Madison, Wisconsin. M. V. O'SHEA.

PREFACE

This work is the outcome of experience, observation and investigation as a parent, citizen and an educator, and is intended to be useful to these various classes of persons. A few years ago the writer was asked to prepare a paper for study classes and chose for his topic *The Financial Training of Children.* The interest shown in the subject-matter of that paper led to a request that he prepare a small volume on the subject. The author has taken pleasure in so doing, Part I being intended especially for parents and Part II for teachers. It is hoped that more attention will be given to the question, now rapidly growing in importance, of proper financial training of children in the home and in the community. No attempt has been made to formulate fixed rules to be followed in all cases, but instead the principles involved are set forth so that plans may be intelligently made in dealing with individuals under varying conditions. That this work may be of some assistance to those who are helping to fit the younger generation for the life of to-day is the wish of the author.

E. A. K.

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THE USE OF MONEY

PART I

HOME TRAINING

THE USE OF MONEY

CHAPTER I

IMPORTANCE OF FINANCIAL TRAINING

Need of Studying the Problem.—Most people if suddenly asked, "What financial training did you have as a child?" would probably say, "None." If asked, "What financial training are you giving your own children?" many parents would give the same answer. All parents, however, do incidentally give lessons in finance and a few give definite instruction with regard to money.

The teacher, if thus questioned, would usually say something about arithmetic or perhaps refer to some system of money-saving that is being operated by the school. Much has really been done that educates children financially, but probably not one person in ten has ever seriously studied the problem of the need of financial training of children and of how that need at each age may best be met.

A moment's reflection tells one that many adults

do not know how to spend their money wisely and that still fewer know how to keep it safely or invest it successfully. Every day we see people spending money in ways that bring little satisfaction. Others are tortured by the fear of losing what they have, while still others are investing in schemes that promise much and yield little or nothing.

Charity workers are especially impressed with the inability of poor people to spend wisely the little money they get. One woman whose family was in a starving condition spent all of the dollar that was given her for canned lobster, and another in a similar situation had a picture taken.

Rich sons and daughters often spend the money accumulated by their fathers in even more foolish ways. In general it is only the common people who have had much experience in saving and spending money, who spend it wisely and many of these have paid a high price for their knowledge. If carefully planned financial training were given, the number spending wisely would doubtless be greatly increased.

Growing Importance of Money in Present-Day Life.—The need for financial training is increasing. Money has a steadily growing importance in life as civilization progresses. Money may quickly procure the necessities—food, fuel and clothing. It may give us any kind of scenery or

climate we prefer. It can surround us with works of art and literature and give us leisure to enjoy them. It can procure for us any sort of amusement we may desire, and, above all, it can to a considerable extent determine our companions.

Looked at from the earning side, all of the industries are to the workers merely means of getting money. In more primitive conditions each man worked directly for what he wanted; he searched for his food, built his shelter, traveled where he wished and lived among people whom he could personally please or influence.

Now his efforts are directed toward getting money and with *it* he procures the satisfactions that he most desires. In many places only money can procure fresh air, sunlight, warmth, amusement, knowledge, power. It is true that the best things in life—love, friendship and honor—can not be purchased with money, yet without money it may be nearly or quite impossible to associate with the kind of persons we wish for friends and lovers. So even this is in part conditional upon the possession of money.

Looking at the matter from the social point of view, we find that every kind of institution—political, religious, social, cultural, recreational and educational—must be supported by money. All the conveniences of life—roads, lights, water, mails,

etc.—can be obtained only by the expenditure of money, which must be gathered by taxation or by gift from those who have it. Every citizen is a partner in the business of providing public protection and public conveniences, and only those who know something of financial affairs can vote intelligently. Great care is needed lest taxes be collected unfairly and the money expended unwisely, perhaps in ways that help the rich and harm the poor.

Since our work, our amusement, our culture and our opportunities for social life are at the present time largely dependent on our financial status, it would seem that no one can consider himself prepared for life who has not had some training in solving financial problems. Is it not worth while to consider where and how such training may be given, before the child enters upon the serious work of life, where he can learn only by costly experience?

Use of Money Less Evident to Children.—In the cities and to some extent in rural districts children, especially of the well-to-do and wealthy classes, see much less money used than formerly. In many homes groceries and most of the other necessities and luxuries are ordered by telephone and paid for by check. Children have no opportunity to observe the prices paid and often scarcely know that sugar, light, etc., cost money. Car fares,

moving pictures and sweets are about all the things for which many children actually see money used.

If they know anything about where money comes from the knowledge often goes little further than that it is obtained at the bank. They do not realize that it is earned by some sort of labor. Neither do they realize that the amount is usually limited and that if certain things are purchased with it others can not be. Some parents say little about money and the children are in almost complete ignorance as to the part it plays in their lives.

By talking about it a great deal other persons give children the idea that it is the chief object of desire; but children can get a true idea of the part it plays in life only through observation and experience of its cost and use. The problem of financial training is largely one of giving the opportunities for such observation and experience at the right time and in the right way.

The Real Place of Money in Life.—It is perhaps not necessary to point out further the value of money to Americans, who are said to be worshipers of the "Almighty Dollar." However, we may remind them that it has no value in itself but only in what it will buy. It is only a convenient means of exchanging effort for some sort of satisfaction of desire. This, however, is why the question of financial training is so important. It is not

merely a matter of computing the value of things in terms of a unit of value.

Financial problems are deeper and more fundamental than rules of arithmetic. They involve choice as to what our life shall be, determine what effort we shall put forth and what desire we shall satisfy. If we put forth little effort we can get enough to satisfy only a few desires. If we put forth too much effort we may have little time or energy for gratification. If we spend our money as fast as we get it satisfactions are quickly obtained but are often transient. If we hoard our money there is some pleasure in the thought of its possession and perhaps a good deal of worry lest it be lost, yet most of it may be spent by others. If we save with a view to gratifying a special wish as soon as we have enough we enjoy the pleasure of anticipation and also that of realization. The kinds of satisfactions, however, that we anticipate and realize differ as widely as our desires and ideals. That for which you save and spend tells what you are and what you wish to be.

The Broader Significance of Earning and Spending.—The moral significance of money can not be ignored. Owners of property are generally more responsible and appreciative of property rights than those who own no property. It is a familiar truth to social workers that, among the very poor,

increased effort to earn money and the purchase of useful things are among the best indications of moral improvement. In the case of the rich, carelessness as to how money is gained and spent is almost equally clear evidence of moral decline. Most crimes are attempts to get money without giving an equivalent for it.

The problem, then, of the financial training of children, as they begin to make use of this medium for transforming effort into some kind of satisfaction, is not merely one of financial training in the narrow meaning of the word, but of practical, social, philosophical and moral training as well. In earning and spending money the child comes face to face with the most important of life's problems. His future success and his usefulness to society are greatly increased by proper training in directing effort and in the choice of ways in which he gets and spends money.

The Problem of Giving Financial Training.—When we thus emphasize the importance of children's receiving financial training it is not to be inferred that formal lessons on the subject must be given them in home or school. On the contrary, it is probably better that little or no formal teaching regarding money shall be given. Experience in actually earning and spending money is the basis of all real financial training. Talking to the child

about money will educate him only as far as it helps him to understand his actual experiences and those that he can picture clearly in imagination. The problem of financial training is largely one of giving opportunities for educative experiences with money.

CHAPTER II

DEVELOPMENT OF IDEAS OF MONEY

Early Ideas of Money.—When a child of two sees some one receiving money the imitative tendency and curiosity impel him to stretch out his hands and ask for some. If he be given a coin he often plays with it for some time, especially when it is bright. One child of about two for several months called vigorously and persistently for money whenever he saw any one take out a pocketbook. At this stage of development there is no appreciation of the value of money. It is merely something in which other people are interested and also an object that gives opportunity for sensory motor play.

At four or five years of age, or sometimes earlier, the idea of money as being useful for other than play purposes is likely to be developed by what the child sees, experiences and is told. He sees money given for various things. Perhaps he is given a penny and told to buy some candy. Such an experience may be almost an epoch-making one in his life. He no longer regards a piece of money as a plaything. It is an object that has the magic power

of being transformable into almost anything else and this opens the way to all kinds of play of the imagination.

At first there is no clear idea of the amount of different articles that a penny will buy or of the comparative value of the different coins. Presently, however, he notices that a nickel or dime buys more candy or other things than a penny. From this he develops, as he learns to count and sees money changed, exact ideas as to the comparative value of pennies and nickels, nickels and dimes, etc. He also often finds that he has not enough money to purchase certain things and gradually learns that everything has a definite price. But for a long time the idea is very indefinite of what a large piece of money, such as a dollar, will buy. The child may expect to buy a horse or an automobile, some candy and "a lot of other things" for a dollar.

Long before a child can count a hundred he may know that a hundred is more than ten. That may for a while be to him the largest number, but later a thousand, then a million, is his big number. He may use numbers and perhaps money also as a measure of the amount or value of immaterial things. "I love you a hundred" or "a hundred dollars." With some children the unit of measure most used may be "bushels" instead of "dollars." While these indefinite comparative ideas of large

numbers and values are developing, the child often acquires very specific ideas of what may be obtained for a penny.

The following are fairly typical illustrations of children's early ideas of money:

"My first recollection of money or the use of money is running to my mother and asking for a penny with which to buy candy. Money was to me just a little coin which by some unknown method came to people and which was to be used for candy, dolls and other things that were equally nice or interesting."

"When I was very young I never thought much about money. When I went any place with older people, they usually bought me something so that, as time went on, I began to think money was for grown-up people and that some day I would spend money as they did."

"My earliest idea of money was that it was something with which to buy things and that one could get it anywhere by asking for it."

"I remember that when I was very small, about four years old, I would much rather have a five-cent piece than a dime because it was the larger, therefore I thought it had greater value. I would rather have five pennies than a five-cent piece because I thought I could get more with the pennies than with the nickel."

In the two instances following the adults mentioned appear to have never thought of the mental condition of small children regarding numbers and values:

"It was on my fourth birthday that my father proudly gave me fifty cents to spend just as I wanted to. I was almost beside myself with joy and ran gleefully to my brother to show him my treasure. He at once put his hand in his pocket and took out five shining pennies which he offered me. I quickly jumped at this bargain and gave him my old dull-looking coin for his bright ones. I went to my father and showed him the money but was greatly disappointed to find that I had lost by my exchange. This was the last time that I ever exchanged dull-looking coins for bright ones."

"It was my third birthday and my grandmother had given me a five-dollar gold piece as a present. It had been placed in my bank on the shelf, and when my mother's back was turned I climbed upon a chair, thus reaching the bank and extracting the 'penny,' as I called it. I then ran out of the door and down the street before my mother had turned around. Just as I reached the door of a near-by grocery store I saw my mother come tearing after me, and as she reached me she commanded me to show her what I had. I immediately replied it was only a penny with which I was going to buy a stick

of candy. It is needless to say it was taken away from me, but I got my candy just the same."

In contrast with this want of insight into the mental states of children and of appreciation of what early experiences with money mean to them, read the quotation from Ewald in the Appendix, showing how he sympathetically shared in the early financial operations of his little boy and arranged that he should learn by experience some of the larger lessons of life.

Concrete Rather Than General Value Appreciated.—The completely generalized idea of money as a means of satisfying future as well as present desires is sometimes surprisingly slow in developing. One boy did not care particularly for money unless there was something that he wanted immediately. When four years old he did not care to secure a dime, because the object he wanted would cost only a nickel and he did not wish two of them. Even after he understood intellectually that he was likely to want something in the future that he did not want just then, it had little weight with him. He would make no effort to get money for a *possible* future use, although he would sometimes save for a distant but specific object. After it was brought home to him by experience that he *did* often come to want things that he had previously not thought of, he was still much less inclined

to make an effort to get money for an indefinite future need than for one that he felt at the time.

This tendency, natural in children, to attach comparatively little importance to possible and even probable future needs, often persists all through life in some individuals. Such persons are, of course, likely to use money chiefly for present purposes and to put forth little effort to earn more than enough for immediate wants. They are also little inclined to inhibit present desires in order that they may have something saved for an emergency.

With other persons the idea of future needs looms large. They are always denying themselves that they may be prepared for a "rainy day" or striving to accumulate that with which they expect some time to enjoy themselves.

Experience has something to do with determining whether present desires or future needs shall have the greater influence, but there are doubtless native differences in this respect, just as there are in the strength of the gambling instinct or the tendency to take chances, as compared with figuring on certainties.

Sometimes the idea of the value of money is fully developed in a narrow way, so that the adult comes to think of it as being valuable in itself and not simply as a means of gratifying desire. All thought and effort are directed toward getting and saving

as much of it as possible, without planning what shall be purchased with it. Such persons strive and scrimp for this great satisfier of desires, and yet deny themselves the satisfaction of desire which it can bring. The acts and words of adults often impress children with this idea of money as valuable in itself to such an extent that even small children save all they get.

Idea of Cost of Money Often Lacking.—The child's idea of the use of money is likely to develop to a considerable extent before there is any idea of its cost. At about four years of age many children are inquiring where things "come from." The answers to this question regarding money give only a slight idea of how money is ordinarily obtained. More definite ideas are gained from seeing money paid for work, or hearing of money being received by members of the family. As long as the child is *given* money for his own use he can not really appreciate its cost. Only by experience in actually *earning* money can he realize the effort that must be expended.

Money is often defined as "a measure of value." This definition can not be understood until the ideas of use and cost have been pretty well developed. In fact adults of fair intelligence fail to realize that money is not value itself but a measure of value which facilitates the exchange of values. Money

represents so much labor performed and so much possible satisfaction of desires. This idea is so difficult to form and maintain that many believe that in making money a government is making values, and a large proportion of people are trying to devise means by which money may be obtained without creating the value for which it stands. In other words, they are trying to get something for nothing. A lurking belief that this is possible makes it easy for expert adventurers actually to get a large amount of money without giving its value, from their too easy dupes.

For these reasons it is important that the financial training of children should begin early and should be conducted so as firmly and clearly to establish this idea of money as a product of effort and as a means of satisfaction.

In Sioux City, Iowa, two thousand seven hundred and six pupils from the third to the eighth grades were asked, "What is money?" About ninety-six per cent. gave intelligible answers. Over half of those in the third grade described chiefly its material and appearance, as gold, paper, etc., while in the eighth grade nearly three-fourths of the children described, more or less clearly, its use as a medium of exchange or measure of value. A few vague answers such as, "Useful," "Round," "The root of all evil" were given.

That many of them had no very definite idea of the *value* of money is indicated by the fact that such statements as the following were given as to what would be done with five dollars. "Buy a cow," "Buy my cousin, mother, father and brother a present and me some shoes, stockings, necktie, collar, cuffs and a nice silk flag for the school," "Buy two sheep, a hog and an Indian pony."

According to their statements fifteen per cent. of the Sioux City children knew enough about money to want it before they were three years old, half of them before they were five, and nine-tenths before they were ten.

CHAPTER III

THE USUAL FINANCIAL TRAINING OF CHILDREN

Much of the Training Incidental.—Answers given by normal-school and university students to inquiries regarding their own training in financial affairs indicate the fact that a large proportion of parents have given only incidental thought to the effects on children of financial transactions. Only a few have systematically followed broadly conceived plans in dealing with their children, with the purpose of giving them the kind of training they needed. The whole matter is not infrequently left to chance or impulse, with no thought of the educational effects produced by the way in which children get and spend money. Many, however, do something to encourage saving by children and a large number will not permit children to spend money foolishly.

A young man says, "As a child I had no regular allowance. I earned very little and spent very little. Everything was furnished me, but in my family it was not thought necessary for us to have money of

our own. I was fifteen years old before I earned any money."

A young lady writes, "I never had a regular allowance. During the years from six to twelve I had very little occasion to spend money, as I never went to any place of amusement without my mother or some older person, and about my only demand was for a penny now and then for candy.

"Then during the years from twelve to eighteen my father gave me money every few days, for car fare, ice-cream, picture shows and such expenses. The necessary expenses were always paid by either father or mother. I always accounted for most of my spending money, especially for school entertainments, ball games and such things, as my parents never liked me to spend more money foolishly than was necessary in order to have a good time, when going with a bunch of ten girls in a large town."

The following is rather characteristic of the practise of parents:

"As a child I did not have a regular allowance. Occasionally I was given an opportunity for earning money. Sometimes money was given me. I was not allowed to spend my money foolishly, that is, for unnecessary things, although I was given some privileges along the line of spending money for that which I thought would be most profitable to me."

In this, as in many instances, the chief thought in the mind of the parent is that money must not be spent foolishly.

"I received money from my parents. Sometimes they gave it to me without asking, but more often I asked for it. I was not allowed to spend my money as I pleased. From twelve to eighteen I earned my 'spending money' by doing household duties. I was given more freedom in spending my money and I usually spent it for books or something that I really wanted and needed. My parents still saw to it that I did not spend money foolishly."

Moral Training Often Given by Parents.—Sometimes benevolence is encouraged, apparently with the idea of giving moral training, as in the following case: "I did not have a regular allowance but made money occasionally by running errands or doing some unpleasant job. I was encouraged to spend it unselfishly though not forbidden to spend it as I wished. Usually I put it in the Sunday-school collection."

Moral training in finance is often taught when nothing else receives attention: "My financial training at home was not very extensive. When I had money I spent it. When I had none I did without. I was taught, however, to be strictly honest and was never permitted to go in debt."

In the following case the mother apparently had

an educative purpose in view and her plan appears to have been successful: "When I first began to teach I regularly gave my earnings to my mother and asked her for money as I needed it. Later she insisted that I pay my board and act as my own treasurer. This I consider my most valuable financial experience. Before this time I had but little idea how much money I spent. I immediately started a bank account and determined to deposit a certain percentage of my income each year."

In the following case the child was perhaps purposely given experience in handling money, choosing and learning values preparatory to later complete control of a fixed amount: "From the age of six to twelve I had no regular allowance nor did I earn any money. My parents bought my clothes for me and met all other expenses incurred by me. As I lived on a farm, I did not have occasion to spend much for incidentals, as children in town do. However, money was often given me by my parents and older brother and sister. Sometimes I was encouraged to save this, sometimes I might spend it at once. Whenever I was sent to the store for anything I was given money sufficient to pay for it, and thought little of the price. From the age of twelve to eighteen I had more experience in financial matters. Still I earned no money, and for the first two years of that time I had no regular

allowance. However, I chose my own clothes and settled expenses for myself, the money being furnished according to my need. When I entered high school at the age of fourteen I was given an allowance of ten dollars a month. This was to buy my books and school supplies first, then the remainder might be spent for such things as a schoolgirl likes, provided I did not go to extremes."

Knowledge of Family Affairs as a Means of Training.—In a home where the parents are meeting the problem of a limited income in such a way that the child notices it he inevitably gains some training in money matters.

"My lessons in handling money were received unconsciously in the home. My parents were paying for our home, and putting money in the building association. The value of putting a definite amount away at regular intervals early made an impression on me. But it was through the example of my mother, who bought only what she needed, who never spent money foolishly, who denied herself the pleasures that most women want, who never wasted anything, that I received my greatest lesson. Another example which she set was in not buying a *lot* of cheap articles, but rather *one* good one. It was from her also that I acquired the habit of never buying something on the impulse of the moment, but of waiting for a week or so. By that

time I am sure whether I really want the thing, or whether it was merely a passing fancy. Often the desire to have the thing is lost in the waiting.

"Knowing and understanding conditions I rarely asked for money, and then only after carefully considering all sides of the question and making sure that I was not asking for the nickel which should go for bread. I was permitted to spend the money as I wished. There were no secrets in our home concerning financial affairs and consequently my parents trusted me to do the wise thing. I spent it for *necessities*. Only at rare intervals did I purchase candy and then only in very small amounts which were divided always with my sister and two brothers. The financial experience which has been most useful to me came through poverty. I have learned to economize carefully at all points and find that I verge almost on stinginess. Yet I do not regret it."

Poverty alone may evidently be a pretty good instructor. In some homes, especially where money is not plentiful, the children have full knowledge of the financial affairs of the family, and through hearing their parents talk and seeing what they do financial training of the greatest value is obtained.

"My parents, when they had been buying certain articles, would show them to us children and speak of the bargain they got. They would tell us why

it was profitable to buy one article and not another. They taught us what were the characteristics of good stock and why certain stock on the farm did not pay."

Another says: "At an early age I was permitted to know the financial affairs of the home. I soon began to see why I should save my earnings. I could contrast those who owned a comfortable home, horses, cattle, sheep, etc., with some others of the community who did not own their homes, etc. If a deal or trade of some kind were to be made, the matter, both pro and con, was talked over and I was usually present. I was thus taught to look into things and discover whether or not a transaction was worth while."

Ownership as a Means of Training.—In the following case very important effects followed an act of the father, who may or may not have had that end in view: "At thirteen I was given a pig, the runt by the way, and told to manage it to suit my fancy. It seems to me I turned that pig into more business experience than I have anything since. Within three years I had manipulated my pig so successfully that in its stead I had a cow and calf. From a boy's standpoint, future affluence was then assured. Since then I have not lacked pin money. I think that bit of diplomacy on my father's part kept me from going to the city to make

money. Many boys who should remain on the farm might be kept there by letting them do something for themselves, have some property they could call their own. This sense of ownership not only made me feel rich in money matters, it made me interested in doing better work and made a better fellow of me all around."

Another similar case follows: "I was given a horse (colt), some sheep, calves, pigs, also small plots of ground to cultivate. In raising and selling the stock and in cultivating and marketing the crops I learned something as to the value of money, etc. I think this was the best financial training I ever received."

In another case a boy of ten with no idea of money affairs was transformed by the experience of having a regular income gained from selling papers.

No Definite Training in Money Affairs.—A definite policy is indicated in the following case: "As a child I had no regular allowance. Any money that I had was secured by work for the neighbors in the form of odd jobs, carrying coal, sweeping, whitewashing, etc. These same jobs had to be done at home as a part of the family discipline without any remuneration. To a large extent I was given full liberty in the expenditure of my money. I was encouraged to put it into things useful. My toys

usually represented the savings of several weeks. Money being scarce and hard to get, the expenditure was very carefully safeguarded. Some went for cheap candy, not much. Having to earn and spend my own money has taught me to prize it. Moving from the city to the country at the age of twelve and being in poor circumstances meant that all the children had to contribute through their labor to the family exchequer."

In many instances the parent thinks more of having the money well spent than of teaching the child how to spend it: "My experience in getting money was always the same. From the first I was trained to ask for the money, usually small sums for spending. I never was given money for saving. I do not remember ever getting any special allowance. The money was given me after making known what use I should make of it. If my parents judged it right I should have it, the sum required was given me."

Sometimes, as in the following case, a definite plan is started but not adhered to: "Between the ages of six and twelve years my usual method of obtaining money was to ask for it as I needed it. After I was twelve years old arrangements were made to give me an allowance each week. This did not prove to be very satisfactory for, besides this, I wanted to use the old method just the same. The

allowance plan only lasted a short time and then I asked for money the same as before."

Various Incidental and Intentional Financial Lessons.—Favoring circumstances as well as good sense on the part of parents may help to give good financial training, as in the following instance which presents a rather unusual variety of experiences:

"My earliest recollections of getting money are running into the house and begging mother for a penny for candy or perhaps it was the bell of the hokey-pokey man that started the desire for ice-cream. But at first it was always a small sum of less than five cents that was given. Later it began to be small compensations for running errands or wheeling out the neighbor's baby, ranging anywhere from five to ten cents, according to time and distance. Later on or at about the age of ten years, mother gave me a regular allowance of five cents a week, to spend in any way I desired, without any question as to how I spent it. At the age of twelve my family moved to a farm in the country. This opened a new and varied experience of earning money, such as picking berries, fruit and vegetables. It also gave me the chance to raise a garden of my own with all materials supplied without cost, and the ways and means supplied to get to a market, the profit to be my own. This took the place of an

allowance. The first summer, counting in fruit from cherry trees, about ten dollars were made. Both these plans satisfied me at the time; the first, in comparison with others who received larger amounts and had to report how they spent it; the latter, both from freedom and amount made. I still think they were good methods. After beginning to earn wages at teaching I began to have the desire to attend Normal School. This helped me to appreciate the value of money, and the planning to make a certain amount pay all expenses helped me to use it to the greatest advantage."

In the following exceedingly varied experience there was obtained very good financial training: "When very young, or between the ages of five and six, I did not have any regular allowance, but simply asked for money when I wished to buy some little thing. I suppose I also had pennies given me for doing little errands sometimes, or for being good at a certain time. When I grew older, or when I entered high school at fourteen years of age, I had an allowance given me each week. I also earned money from time to time by caring for children an hour or so, by addressing envelopes for a brother who was in business and by taking library books back and forth for several people. I was quite satisfied with the allowance which was given me at that time, though now it would be quite in-

sufficient for my incidental expenses. I remember how I earned my first money which amounted to anything. I took up the work of a library route which my older brother had had for a number of years. I was about ten years old then. Every Saturday and sometimes on Wednesdays I collected the books from regular customers to be returned to the library, and brought them back one or more books. I received two cents for each book, and so earned from twenty to twenty-five cents for each time.

"We had a school savings-bank system when I was in the grammar school, so I made quite a little account through it by buying one, three and five-cent stamps, with an occasional twenty-five-cent one after having a birthday or some unusual reason for a gift of that kind. I was not unlike all other children, for I spent many a penny for candy, ice-cream and sodas. I remember too that when I was about thirteen or fourteen years old I had a craze to wear flowers to church on Sunday, and so in the winter would very often buy a couple of hothouse flowers for that purpose.

"Marbles, return balls and jump ropes were almost necessities at one period in my life, and I do not doubt that many a nickel went in this way. When I was in the last grades of grammar school I was very fond of taking children on May parties during the first week of that month. Many of their

mothers were too busy to make them paper crowns, soldier hats and May baskets, so I used to buy quantities of tissue-paper and make them all the fixings which accompanied a May party. Many a time I remember making investments with my brothers who were a few years older than I, by lending them ten cents or so, and receiving at time of payment one cent as interest.

"I have always been encouraged to make my own purchases from a small child, which, I believe, has developed my appreciation of money and how to use it. Also, when we grew older mother gave each one of us girls (my two sisters and myself) full charge of the table bills for one year. We had to plan the meals and do the ordering and still keep within certain limits of expense. From this experience I know that I learned much economy and discretion in spending money."

The following presents an interesting question as to which is cause and which is effect. Is the young lady unable to save because she had no training in getting along with a limited allowance, or did her parents refuse the allowance because they believed it was not in her nature to use it wisely? The chance to show financial ability should have been given her anyway.

"Between the ages of six and twelve my usual way of getting money was by asking my parents

for it, also between the ages of twelve and eighteen I did the same most of the time. Of course, I used to do little things and receive a little pay for it, but not nearly enough as I thought. Now I know that my folks used to pay me a great deal more than it was really worth, just for the purpose, I believe, of keeping me interested in work. *Never* have my parents given me an allowance when I have asked for it. I never could find out really why they withheld it from me. I had rather earn my own money. I never can save any money. No matter how much I have I can't seem to save a cent."

We see from these examples that there are many ways of receiving financial training. A large part of it seems to be gained incidentally with only a little planning on the part of the parents. In many instances this is inevitable and often advantageous but it would seem that if more thought were given to the matter by parents, many defects in financial training would disappear.

CHAPTER IV

FINANCIAL JOYS AND SORROWS

The Child's Wishes Should Be Respected.—Adults often find difficulty in deciding what use of money will give the most pleasure to themselves, but frequently they assume that they know better than a child how he should spend his money. The child's desires, however, differ so much from those of adults that the latter are often mistaken as to what will give most satisfaction. A nickel spent by a child to get just what he wants at the time, even though the pleasure it gives is only temporary, may be worth more then, and later in memory, than a five-dollar bill spent wisely in adult life. The child may never again be able to get so much satisfaction for the money as when he spends it for something he will not care for when older.

Parents have learned by their own experience that it does not usually pay so well to spend money for immediate temporary pleasures as for more permanent ones, but they know that there are excep-

tions to this rule. In directing the spending of children they are likely to forget that their adult experiences and feelings about the matter may not *always* be the standards for the child in exchanging money for satisfaction. They also often underestimate the value or harm of the child's own experiences of pleasure and disappointment.

A large number of normal students were asked to give their earliest, pleasantest, most disagreeable and most useful experiences with money. The typical quotations from these reminiscences given below will tend to give a truer view of the value of money from the child's standpoint.

"My earliest experience with money came when I was about four years old. An uncle and aunt were visiting my home at the time. My uncle gave me a dollar bill and told me to give half of it to my cousin who was about the same age. When I was alone I took the scissors and cut the bill in halves so we could each have half. We immediately set out to buy candy as most children would do, but were disappointed to find that the storekeeper wouldn't take our money. When my uncle heard of the catastrophe he gave us silver and took the torn bill to be mended."

It is less surprising that children of that age should do this than that an adult should expect them to know the meaning of "half of a dollar bill."

"One of the pleasantest experiences was when I was twelve years old. Up to this time I had never been allowed to go alone to the city to shop, but one day my mother consented. I started out with a brand new two-dollar bill, and I felt almost as rich as Crœsus. The novelty of going about big stores and getting on and off cars all alone made this one of my pleasantest experiences with money."

A young man just beginning business for himself is not having experiences more important than this shopping trip was to this girl.

"The only time I can remember when money seemed disagreeable to me was when I was obliged to spend the contents of a dime bank which I had succeeded in filling, for some clothing for myself. I was about eight years old and mother, knowing it was best for me to spend the money on clothes rather than on sweets, insisted that I buy some clothes. I parted with the money reluctantly, and thought at the time that it was the most disagreeable thing that could happen to me."

Some children are very happy and proud when they spend their own money for clothing. This one might have been if she had been led to plan for it instead of having it forced on her while her other plans were interfered with.

The following suggests that the effort of parents to give children a good time at Christmas might in

part at least be spent in giving them the opportunity to win their own less selfish happiness.

"My most useful experiences with money were at Christmas. It was then that I spent all my pennies. I would feel very old indeed when I was planning how much I could spend on each present and what each would like. As I was the oldest of six children when I was ten years old, I was greatly interested in making out the 'lists' of their Christmas shopping. The spending of our own money at Christmas time came to mean a great deal to us all. It meant hard work, planning and reckoning, a little sacrifice and a great deal of fun. It helped me to be more careful of money and to spend it less foolishly during the year. My money came to me in different ways. As my home is in the country I picked berries during the summer and sold them. My grandfather would hire us children to help him pick cucumbers, paying us five cents for a basketful. In winter I helped my brothers pile wood in the shed. There were always errands to run and little things to do which would bring in the pennies. Our parents often gave us money but somehow that never seemed to be worth much. It was always the money that we earned that was really money."

CHAPTER V

SPENDING MONEY

Knowledge of Spending Precedes That of Earning.—It is in spending money that a child first learns its uses. He must get it before he can spend it but usually the idea of the cost of money is gained later than that of its use. A child may spend money for years and learn a great deal about how to get the most satisfaction out of a given amount without forming any definite idea of the cost of money. Indeed it is only after the idea of the use of money has developed that there is any stimulus to earn money. The first care of parents in the financial training of children should be to give them correct and increasingly definite ideas of the uses of money and of what it is best to buy with it.

In order to gain full appreciation of how to use money the child must have considerable experience in buying and in seeing others buy. Some buying must be done by himself or he will not notice and

understand the significance of purchases made by others.

Freedom in Spending.—It is not necessary that the parent should see that the child always spends his money wisely, as many parents seem to think. Continual supervision and absolute prohibition of unwise expenditure accomplish the immediate result of preventing foolish use of money but it has very little training value for the child.

One woman gives in *American Motherhood* the following as her experience with money: "My mother gave money to my brother and me from time to time and we each had a bank where we were supposed to keep it. The only times we were allowed to spend money without getting permission were Christmas and for birthdays of members of the family. So as I thought it was mine and they had no right to refuse, I used to spend it without permission and, of course, do away with what I bought, in secret, when I would have liked to share with the home folks. But the evil did not stop here. My brother was almost miserly and it would not do for his pile of money to be so much greater than mine or mama would learn the reason. So I used to take money from his to increase my stock. As mother was very careless about money she never found out what I was doing."

It is evident that restriction as to spending money,

if not accompanied by close supervision in all respects, will almost surely have evil effects, such as are here mentioned. One mother who is troubled about her boy's dishonesty says: "He has a little money to spend every month (fifty cents) which I will not permit to be spent foolishly or on candy, as we make it occasionally."

Of course children who are allowed to spend as they wish may become dishonest if their desires exceed their means and care is not taken by parents, but it is more likely to occur if there is no freedom in spending.

Some time the child must choose and decide for himself and to do this he must have practise in choosing. It may be a good thing for the parent to advise the child and explain to him the relative advantages of different purchases, yet at times the child should be left entirely free to choose as he thinks best. It will even be a good thing if he makes a very unwise choice, "pays too much for the whistle," because the contrast between such a purchase and one that brings a good deal of satisfaction is the most impressive lesson in wise financiering that a child can obtain. No amount of talking and advising by others can be so effective.

Children who begin spending money for candy soon become, by their own experience and that of their companions, experts in buying that article.

They get the largest amount of sweetness, if not the best quality, for the money. Sometimes nearly all the children of a school spend most of their money for sweets of some kind. A little store selling cheap candy, gum, cookies and perhaps ice-cream, in the neighborhood of a school, may be almost wholly supported by school children. It was found that poor children in Chicago spend from ten to twenty-five cents a week largely for sweets. Not only is this sometimes not good for the health of the children, but it is poor financial training for them. They not only form the habit of spending money as fast as they get it, but they get a very narrow experience in buying. It is sometimes quite a revelation to a child who has been spending his money as soon as he gets it for candy to have the experience of saving for a while, then purchasing a plaything that will last him for weeks. He gets a wholly new idea of the possibilities of money.

Methods of Spending.—A considerable variety of experience in buying is valuable in teaching a child the uses of money. A liberal allowance favors this, if parents take pains to see that the child's attention is called to the various possible ways of spending money. Yet an allowance that is so liberal that the child can easily purchase everything that he wishes leaves him with no strong stimulus to make wise choices. In Chicago it was found that,

when asked how they would spend a thousand dollars, four times as many poor children named definite ways of spending it as did the rich children.

Amount of Money Should Be Limited.—It is sometimes thought that to have all wants satisfied would be bliss, but all experience shows that it means deadly boredom and misery. He is happiest and most active and progressive who always has unfulfilled wants that he is hoping and trying to satisfy. A "divine discontent" is to be desired for all, both young and old.

Affairs should be so arranged therefore that a child shall want more money than he can get. In the case of poor children, especially if they associate with children of the well-to-do, no arranging is necessary, and often their wants are *too* far in excess of the possibility of satisfying them. In the case of the rich continual care needs to be exercised lest the means of satisfying wants reaches or exceeds the possible or, at least, reasonable desires. A strict limitation of the amount of money the child has, is absolutely necessary to the best financial training. This is, however, not likely to be effective or satisfactory if other members of the family or the child's companions spend money extravagantly.

In the case of middle-class families the problem of properly conducting the income and expenditure of the children is nearly always a difficult one. If

the child's associates spend money extravagantly he is likely to want to do so. The tendency in a community is apt to be toward the more extravagant expenditure, because each child tells of how the extravagant children spend money; thus he often gets his own parents to let him have more money and each success is a new argument for the other children to use with *their* parents. Where there is no parents' association to discuss the question the tendency is usually to excess of expenditure on the part of the children and it is difficult for a single parent to resist such a tendency.

This difficulty becomes especially great at the high-school age. The youth feels greatly humiliated if he or she can not spend money as freely as companions do. It is sometimes impossible to convince the young person that the parent is justified in refusing more money. This produces an unpleasant situation and sometimes leads to wrong actions. Taking money secretly, especially from parents, is very common. Many children think that it is slightly, if at all, wrong to take money that belongs to parents. Such practise may, however, lead to stealing from others or to other immoral ways of getting money.

Immediate and Delayed Spending.—One of the most important financial lessons to be learned is that concerning the advantages of the immediate

spending of money as compared with saving it until there is enough to satisfy some larger need. Most adults assume that it is well to save money, while most children feel strongly the impulse to get what is wanted now, rather than to wait until some distant date for getting something worth while. Although children will sometimes accept the parents' view, yet they do not really appreciate the advantages of saving to buy something more important unless they have the experience. The parents should therefore see that they have such experiences and under as favorable conditions as possible. The first few times that a child saves for a given purpose he should not have too long to wait and the thing purchased should give a good deal of satisfaction. If such is not the case, the child may conclude that it is a device of the parent to teach him what is not really true. It will be better if things are so managed that the child's actual experiences in saving *do,* under natural conditions, give him satisfaction.

Usual Ways of Spending. — Accounts of spending money by children who are free to spend as they choose show great variety according to the individuality of the children. One spends chiefly for candy, another for ribbons, another for moving pictures, another for college ices. As with older people, each has a pet extravagance. Very few plan

ahead very far as to how they will spend their money. Many save for specific purposes, such as a sled or bicycle, or sometimes for articles of clothing, and others save for spending at special times such as Christmas.

There is a strong temptation to interfere and not allow a child to spend most of his money for one thing and that of no permanent value. Yet if he is led to spend in a variety of ways that are expected to give more satisfaction, but still gets more pleasure from his former expenditure, the parent should not interfere so long as only a difference in taste is involved. If, however, the child's preference is the result of an acquired and undesirable habit of spending, for which another may be substituted, the parent may be justified in interfering. In any case it will help to have the child figure just how much he is spending on his special extravagance in the course of a year.

Spending and Will Training.—Few parents now believe in breaking a child's will. On the contrary, most intelligent parents believe in developing and strengthening the will of the child. Some do this by striving to get children to form high ideals, while others give special attention to habit formation. The first is idealistic but, without support, ineffectual, while the second alone produces only mechanical actions of a certain type, with no ability to

act in new situations. Both are needed and in addition there must be practise in choosing what course of action to follow. It is not sufficient that children shall want the highest or shall behave the best, but they should be able intelligently to choose the better course when there is no one at hand to tell them what to do. Not only do they need to choose the better way but to persist in that choice without some one to watch over them.

It is in this field of choice and persistency of willing and acting that training is most needed. No better opportunities can be found for giving such training to small children than in allowing them to spend a limited amount of money freely and abide by the consequences. A boy of two and a half who gave up a bright penny for some candy wanted to go back to the store, after the candy was gone, and get his penny back. When he found this could not be done he accepted the inevitable and thereafter realized when he spent money that it was gone forever. In a similar way children who want two things and have only enough to buy one, find that spending money means deciding what their future in certain respects shall be. There are few acts in which a child can realize so clearly his power to determine for himself what desires shall be satisfied. In many lines the parent must decide for the child because he can not know the results of his acts, but

in this field he can learn just what each choice and expenditure of money will bring about. If he refrains from buying candy every day for a week, then buys something that gives pleasure for many days, he learns the great truth as to the advantages of giving up small temporary pleasures that a greater and more permanent one may be secured.

CHAPTER VI

GETTING MONEY BY IRREGULAR GIFTS

Most Children Receive Money as a Gift Irregularly.—Inquiries made of many young people reveal the fact that a majority of them received their money by irregular gifts until they were in the teens and sometimes until they were of age. In some of the following cases there were chances to supplement gifts by outside earning.

"I never had a regular allowance. If I needed anything I asked for it and if possible and reasonable I got it. The same was true of pleasures. I had a pretty free use of my people's money but they always knew what I spent it for and when, and I knew the things that were beyond and those within my means."

"Every birthday I had money given me according to my age and I always put that in the bank, also any gifts at Christmas, but I've never saved any in my life—to really save. I haven't any idea yet as to the use or value of money but now I always think longer about spending it if I've earned it myself."

The gifts of money on which these children depended were from parents, relatives and visitors. Usually the child did not know when he would receive money or how much, though sometimes he learned to expect a more or less certain amount on birthdays from relatives and sometimes from certain visitors.

One says: "Nearly all the gifts coming from friends came from elderly people and I fear I connected the appearance of any elderly visitor with the money he or she might give me. There was a certain minister who visited us who always gave us a dime on leaving and I would reckon how much money would be in my bank, including that dime, many days before he came."

In a large proportion of cases where no systematic policy was followed the child asked his parents for money when he wanted it. Some report that they were nearly always given it, while others say that the parents asked how the money was to be spent and gave it only if they approved of the proposed expenditure.

In homes where this rather planless procedure is followed the children often receive money for service rendered to relatives, friends or strangers, though in a very few such homes this is not allowed. Usually payment is more in the nature of a tip than of a just reward for the service rendered.

Tips Not Suited to American Children.—It will readily be seen that such a method of obtaining money gives children no true idea of the ways in which they will get it when they are grown, unless they belong to the class that receive tips. It may be argued with some reason that such a method of receiving money tends to make children polite and kind to other people and appreciative of what is given them. In general, those who believe in the tipping system will be satisfied with this method of dealing with children on the basis of personal favors rather than in accordance with strict business principles. In many oriental countries much of the business is done on a personal basis. One man offers goods or service freely and the other gives presents in return or pays according to his liberality. Each may make a good business deal and at the same time feel that he has done the other a favor and been kindly treated by him. To a high-minded Arab, a bargain between friends may seem degrading.

In this country a large proportion of people take the ground that friendship should not have any large place in business deals but that there should be a definite understanding as to prices and a fixed price to all. The independent American wants no gifts but fair and honest payment, the same as others receive. On the other hand, he is perfectly willing to give and receive social favors and would strenuously

object to making bargains as to favors to be given for kindness rendered.

It would seem clear that if the independent American is typical of the men desired in this country, children should at some time receive such training as will prepare them for strict business transactions. On the other hand, if we believe in the oriental practise, or wish to prepare the children to become porters, waiters, etc., the method of irregular giving is the one to practise.

Gifts Versus Definite Payments.—There is good ground for claiming that the child's early experience in getting money should be by gift. This may be justified by the consideration that in early childhood he receives care and protection of all kinds from his parents, and it is not unfitting that this should be the case as regards money. The chief questions that arise here, are: "How early should he learn that money is to be obtained only by effort?" "When should he begin to be self-supporting?" "How long should the amount he is to receive be kept indefinite?" There is little question that children should be given money and have a chance to learn its use before they begin to earn it, and it may also be well, just at first, that the amount of money given them should be indefinite. It is only after a child has learned something of the uses of money and has gained some power of calculating

that a limited and fixed amount has a definite training value.

How old should the child be before the irregular method of giving is abandoned? Some parents continue it until children are of age and even later, many abandon it at fourteen or fifteen, while some find that children may learn to plan some of their buying from a limited allowance before they go to school. Some think that the idea of money as limited in amount should be developed at first, lest the idea of spending freely should develop too strongly. It appears that many children as they reach the age of adolescence have an increasing desire to know how much they are going to have. This is of course more often the case when the amount received is not likely to be sufficient to purchase all that is desired. When such is the case, a child certainly can not plan with any satisfaction or wisdom since he has little or no means of estimating how much he will have to spend.

It may be claimed that young children should not be paid on the basis of service rendered but on the basis of reciprocal kindness, the child to do favors whenever asked, and to receive whatever older persons please to give him. In some homes this plan is made to work very successfully. In such instances the idea of money is always subordinate to that of being kind. Experiences of being paid what

the parent chooses to give teach the child that money is obtained by rendering service, but they give him no clear idea as to just how much service of any particular kind is worth, since the payment is usually very irregular. It may well be claimed that habits of mutual kindness should be developed earlier than ideas of business, yet it may be replied that early ideas of business do not *necessarily* interfere with acts of kindness. No general rule can be laid down for all to follow. In some homes irregular gifts may work much better than in other homes, and for a longer time.

Sometimes children practise making themselves agreeable in order to get money. This often gets them more money than actual work would. In other cases the child calculates as to whether he is likely to be paid and how much, and may object to going on errands or may do them very poorly if he does not expect adequate pay.

No intelligent person can advocate irregular gifts and indefinite payments as a *permanent* treatment of children and young people, if they are to have the financial training suited to this age and country. Much, however, may be said for this way of dealing with *young* children. How soon a different system should be adopted depends on the home and on the individuality of the child.

ness, or so large that the child forms habits of luxury perhaps unsuited to his future station. It is not well for him to be able to buy *everything* that he wants. Not only does he then fail to learn that the money supply is limited but he also misses the pleasure and discipline of planning purchases so as to get the most for his money and the best of what is possible.

In summarizing we may say that in deciding the amount to be given, one should consider the age of the child and his probable wants in view of the place in which he lives and the companions that he has, especially the latter. The allowance should not be so liberal that he does not know what to do with it, nor even so much as to permit him to indulge his appetite very freely. It is better to make it too small to start with, than too large. It should be increased as he grows older unless his opportunities for earning increase. A child who is inclined to save money and to spend cautiously and for other things than immediate pleasures may safely be given a larger allowance than one who spends money as fast as he gets it, although the need in the latter case *seems* to be greater.

The amount of the allowance should vary in proportion to what the child is expected to buy with it. If he is to buy small articles and pay incidental expenses he should of course have more than if he is to use it largely for his own pleasure. The question

of whether he is saving any money or not should also be considered. In general, his allowance should be chiefly for necessities or to purchase gifts or meet church, school or other obligations, and only partly for his own pleasures.

Adolescent Sensitiveness.—In fixing the allowance of a child in his teens one must consider not only his actual needs but also his feelings with reference to what he ought to spend, as suggested by what his companions purchase. He should not be too much humiliated in his own eyes and in those of his companions by compulsory economy in spending, and still less should he be given money in excess with which to make a show. If there is any way in which he can earn money he should himself provide for extra luxuries. Few parents realize how socially sensitive are most young people, at the period of early adolescence, and how keenly they feel anything that prevents them from doing as others do. Some never get over a subconscious feeling of inferiority that originated in youth. The showy extravagance in spending, on the part of some men who have been poor in their youth, is perhaps due as much to the subconscious impulse to convince themselves of their ability and desire to spend as it is to a wish to impress others with that fact.

Regular Payment and Debt.—Not only should the amount of an allowance be fixed but also the

time of payment. In general, the child should not be permitted to draw his allowance in advance. It is also well to discourage going in debt in other ways. Usually debts for personal indulgence should not be incurred by adults, and the same practise is beneficial for children. In cases where there is a chance to invest to good advantage or to buy an article really needed or to buy something valuable that can not be obtained later, it may be all right for either adult or child to go in debt, providing he has a sure means of paying it later.

Although going in debt is not in general a good thing and should not, except under special circumstances, be encouraged, yet it is probably not *always* best to prohibit it. The experience of incurring an unwise debt, together with difficulty in paying it, may give more valuable training than strict prohibition or much preaching. When a child gets in trouble on account of going in debt he should not usually be helped out at once. He may be helped by advice and sometimes by opportunities to earn money but should usually be allowed the instructive experience of working his way out himself. It may be necessary to refuse to loan money to some children who are inclined to discount the future and to stop their allowance if money is borrowed outside of the family.

An Allowance Should Not Be a Wage.— Another matter often connected with the giving of an allowance is that of requiring that certain tasks shall be performed. It is probably desirable that every child from the age of four or five years shall have certain tasks to perform every day. Some of these may concern his own clothes and room, but it is well if there is also something of general value to the family. This is preparatory to social life in general, in which each one has a part to perform.

From one point of view the child receives a regular allowance and performs his regular duties as payment. This idea really makes an allowance into a wage. To be consistent the amount of the allowance should be proportioned to the work done. Another and a better view of the matter is that of a free gift and free service. The child is given an allowance just as he is given food and clothing, and he performs certain duties in the household just as do other members of the family. This is the better plan both theoretically and practically. It is not desirable that *all* the financial relations of parents and children shall be on a strictly business basis, and a freely given allowance is one of the best ways of preventing this condition. Whenever financial relations are supposed to be on a business basis they should be managed in a really businesslike manner,

that the child may learn just how business is conducted and what are the usual prices paid for service. In many homes it would not be possible to find enough regular work to justify an allowance as large as the child should receive, or properly to increase one as the other is increased.

If a child fails to perform his regular task the regular allowance is, by some parents, withheld. This tends to put the matter on a business basis, especially when the amount withheld is proportioned to the failure to do. It is possible, however, to put the matter on a social basis. The family belong to one social group. All have their work and all receive something for their own use. The one who does not do his work ceases, for the time being, to be a member of the group and should not expect the rewards that others receive. In general, however, it is probably not best to say or do much to make young children feel that there is any relation between the regular work done and the allowance received.

Typical Allowances.—In the few cases reported in which a regular weekly allowance is given to a child under ten years of age, it is usually small (under twenty-five cents). This is fitting, since young children can not intelligently spend large sums. In the case of children in their teens the range is from twenty-five cents

up to several dollars, according to what has to be purchased and the position of the family. Some of the allowances are conditional but most of them are not.

Nearly all children prefer allowances to irregular gifts unless they feel that the amount is too small and can not be added to in any way. Often opportunities for earning are found by which the income is increased. Most of those children who are given a regular allowance are permitted to spend it as they choose, but a few are restricted in the spending and thus deprived of the educational experience of planning and choosing. One mother gave her seven-year-old boy ten cents a week, one cent to be spent for sweets, six to be given to church and Sunday-school and three to be put in the bank. It was not stated whether the child was permitted to choose his sweets or not, but probably they were also chosen for him. A child whose parents paid no attention to his money affairs would be more fortunate.

CHAPTER VIII

EARNING MONEY

Children Like to Earn Money.—The desire to earn money seems to be almost universal in children, at least in America. In Sioux City ninety-seven per cent. of the twenty-seven hundred desired to earn money while only one per cent. wanted to get it without earning it. The chief reasons in order of importance were: "to be independent," "to spend in useful ways," "to spend," "to save," "to spend on luxuries," "to help parents," "to be rich," "to get an education." Miss Palmer found that in a poor district in Chicago seventy-one per cent. of the boys and fifty-nine and one-half per cent. of the girls earned money, while in a more wealthy section eighteen and five-tenths per cent. of the boys and fourteen and eight-tenths per cent. of the girls earned money.

In the method of earning money, logically carried out, the child gives an equivalent in work for all the money that he receives. Not many parents begin this plan early and carry it out strictly. They either follow some other plan until the child is ten

or twelve years old, or pay in excess of what his work is worth, or supplement his earning by gifts or an allowance. In most cases it is probably best to introduce the plan gradually, by giving the child money until he learns its uses, then have him perform tasks by which he will learn what money costs.

After he has learned that money costs effort the child should learn later just how much effort of each kind brings a given amount of money. When a child is learning the first lessons and is developing a tendency to satisfy his desires for what money will buy, by his own efforts in earning money, a little overpayment is permissible. When he is able to calculate and is ready to form more exact ideas of time, effort and service rendered, he should be paid as nearly as possible on a business basis for whatever work he does.

A Fair Price Should Be Paid Children.—It is quite important that the child should not be paid excessive prices for what he does, because this will lead him to put too high a value on his services and engender dissatisfaction when he starts out for himself. It also gives him a false idea of the amount of effort required to satisfy desires. Further, it encourages him to spend freely money that has cost little effort. With adults, "Easy come, easy go;" so it is with the child.

Children Not to Be Paid for Everything.—One of the difficulties associated with paying children for work is that they may get the idea that they should be paid for everything that they do. This should be guarded against very carefully. It should be understood that only certain kinds of work, especially such as would have to be paid for in any case, are to be performed for pay. The child should expect to do many things in the home without recompense.

In doing errands for neighbors it is well that the child shall not always expect pay. In general, if the work done is such as one neighbor would do for another (e. g., getting something at the store to which he is going on another errand) the child should not receive pay. If, however, a special trip of some length is required, it is quite proper for him to accept pay if offered.

A definite lesson may sometimes be needed to prevent children from taking an entirely selfish view as to the ways in which they get money. An effective lesson of this kind is represented in the following quotation:

"WHAT BRADLEY OWED

"One morning when Bradley came down to breakfast he put on his mother's plate a little piece of pa-

per neatly folded. His mother opened it. She could hardly believe it, but this is what Bradley had written:

"Mother owes Bradley:

For running errands	$0.25
For being good	.10
For taking music lessons	.15
Extras	.05
Total	$0.55

"His mother smiled, but did not say anything, and when lunch time came she placed the bill on Bradley's plate with fifty-five cents. Bradley's eyes fairly danced when he saw the money and thought his business ability had been quickly rewarded, but with the money there was another little bill, which read like this:

"Bradley owes mother:

For being good	$0.00
For nursing him through his long illness with scarlet fever	.00
For clothes, shoes, gloves and playthings	.00
For all his meals and his beautiful room	.00
Total that Bradley owes mother...	$0.00

"Tears came into Bradley's eyes, and he put his arms around his mother's neck, put his little hand with the fifty-five cents in hers, and said, 'Take the

money all back, mama, and let me love you and do things for nothing.' "*

Freedom in Working.—In general, a child should be free to do or not to do tasks for which he is paid. This is the condition of all free laborers and is equally important in training children. If a child is paid for a piece of work the pay should be the motive for doing the work. If he is forced to work he should not, as a rule, be paid for doing it. When, however, a child begins a piece of work for money he should not usually be paid unless he finishes it and he may very properly be *required* to finish it. In such a case he may receive full pay, partial pay or no pay as may seem best to the parent. In many forms of contracts failure to complete work means no pay and delay means partial pay, and this may be the basis of settlement with the child, or the parent may make it more a matter of discipline, insisting that work begun should be finished and that failure in duty brings forfeiture of reward.

Which of these ways is best in individual cases depends in part on the methods of discipline usually followed by the parent and on the peculiarities of the child. In any case, if the parent follows a con-

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sistent course it will usually commend itself sooner or later to the child as being proper and just. Everything of value educationally will be lost if the parent is inconsistent, so that the child feels and continues to feel that he is not being treated justly or as he expected.

It is necessary that a child shall develop a desire for what money will buy before he will choose to engage in any work that it is not his pleasure to perform at the time. A child who wants something very much will be very anxious for a "job," but if there is nothing special that he wants at the time it may be hard to get him to choose to do anything. With some the idea of adding to savings may be a sufficient motive, but usually this is not nearly so effective a motive as the idea of some definite thing to be purchased. The idea of some big thing to be obtained months or years hence is rarely a strong stimulus unless it has been made prominent by the suggestions of others. Many children are, in this respect, like some improvident adults who will work only when they are hungry and never to provide for the future. Some children, however, perhaps impressed by their parents' attitude, are always saving, but without definite plans as to how their hoardings are to be spent.

Salary or Piece Work.—Sometimes instead of being paid for separate "jobs" a child may be paid

a fixed amount each week for performing certain tasks. This has the advantage of leading to regular habits of work instead of to mere spasmodic effort under the stimulus of some special need. It also gives a steady income on which the child can count. In the case of special pieces of work for special pay, there may be too much that the child may do at one time and too little at another. This is often unsatisfactory to both the child and his employer. It is a good thing, however, for a child to have some experience in both methods of earning money. It is well also that he shall have experience at both piece and time work. In the one case care should be taken that the work is well done, and in the other that the time is faithfully employed.

One of the difficulties connected with occasional tasks is that it is hard for a child to stop playing and do the work at the time it should be done. This may be a difficulty in the case of regular tasks, but the child by proper management can be led to form the habit of doing such work at fixed times. In the case of special jobs the difficulty is greater. The child must use his will power to turn to the task when he is already interested in something else.

An experiment of one parent in overcoming this difficulty gave interesting results. A boy of seven was paying for a bicycle and in order to help him financially and to give him training in working

whenever he was called on, the following contract was made with him. He was to receive a dollar a week on condition that he did whatever work he was asked to do promptly and without question. For some weeks he did very well, but as work became scarcer he responded less quickly when called on to do something. He was reminded of his bargain and was told that if he did not carry out his part the contract would cease and he would have to earn the rest of his money by special jobs. A little later he objected to doing something and said he would give up the contract. He then began working by the job, being paid just what each task was worth. He could not get much work and money accumulated very slowly. After a few weeks he shyly asked if he might go back to his contract again, but was told "No." It was a long time before he finished paying for his bicycle. He remembered the experience a good while and often wished that he could "have a dollar a week again."

Supervision of Work.—It is very hard for most children to work alone. It is a good thing when possible, both in time and in piece work, for them to work for a while with some older person who, by his example, stimulates and directs. In any case the work that a child is doing or has done should be inspected as to amount and quality. No opportunity to commend should be omitted, but on the

other hand the child should be expected to do as well as he can and should be stimulated to attain a high standard of achievement. In talking to the child about the work it is better not to say that it is easy. It is much more stimulating to be told that it is hard, but that he is doing it rapidly and well for one of his age or experience. Boys of spirit have no interest in easy things, but they delight in showing that they can do difficult things.

The highest artistic work is done not for pay but for the pleasure gained by successful effort. This same spirit may be shown by ordinary workers who will not do poor work even though a better quality is less profitable. The child naturally has a joy in work well done and this motive should be kept as prominent as possible. The pay to be received should not be the only reason for work, but only an added motive, whenever it is possible to bring about this condition.

Adolescence and Earning.—It is a well-known fact that children change greatly in the teens. The most unobservant parent is aware of this truth which modern child study has so much emphasized, but even thoughtful parents fail to realize how profound are the changes in mind as well as body at this time. The whole attitude toward every phase of life undergoes change. More children wish to leave school at about fifteen than at any other age.

One of the chief reasons for this is that they may earn money. The period of helpless protected infancy is passed and the instinct of independence asserts itself. The boy is no longer satisfied to be wholly supported by others, and present social conditions are bringing about a similar state of mind in girls.

In many tribes there are elaborate ceremonies and changes of dress at the period of adolescence, to mark the change from childhood to manhood. In this country to begin providing for one's self financially is taken as the most significant sign of adulthood. Earning money was desirable before, but now self-respect seems to demand that the youth shall be financially somewhat independent. It is not necessary that he shall be entirely self-supporting, but he must do something for himself and spend what he regards as peculiarly his own, to gratify his now more clearly defined individual desires. The person who has never earned money has no adequate appreciation of its value. If a child has not had the experience of working for money he should certainly be given it, and at this time he should now have additional opportunities.

Pay for Economic Service Only.—Children should rarely if ever be given pay for doing something that has not a commercial value of some kind. Being paid for an act of self-denial or endurance,

such as not talking, or having a tooth pulled, is sometimes an effective stimulus to the will, but it does not give the child a true idea of financial affairs. It may even be claimed that it gives wrong ideas that may later, when he becomes a citizen and an official, make immoral action seem natural (e. g., receiving favors that are in reality if not in form, bribes or a form of graft). The natural reward for being good or brave is not financial remuneration but social approval, and the good opinion of his friends is often worth more to a child than money. Payment for speaking pieces is analogous to the pay that speakers and actors receive, and hence has some justification, but payment for being good can rarely if ever be justified.

Work Outside of Home.—It is good experience for a child, especially in his teens, to find work outside of the home. Commercial enterprises that children engage in often give valuable experiences. It is an advantage if not all the means of earning money are supplied or suggested by the parents. A child who needs money and exercises his ingenuity in finding ways of earning it is developing initiative that will be of great value to him in after life.

Those who are interested in preventing the evils of child labor should not forget the valuable experience that is gained in earning money. In many city homes this can not be given in the family and some

form of part time work will probably have to be provided for children in their early teens. This is not to be construed into a plea for the exploitation of children by manufacturers. Work, as well as study and play, should be conducted in such a way as to be a valuable experience to them. Work at regular times for a just compensation develops and educates a child, *providing* the work is not too hard or too specialized and if he has left sufficient time for study and for recreation. Many children would be the better for a few hours' work a day for a part of the time and the money earned would make it possible for many of them to continue studying under healthful conditions longer than would otherwise be possible.

CHAPTER IX

BUSINESS DEALINGS OF CHILDREN

Street Trades.—The variety of business carried on by children is astonishingly great. Boot-blacking has long been a business for children in cities, but boot-blacking parlors have now largely taken the place of the street trade. Newspapers they still sell, but much of the business is now conducted by some central adult agency. The chief business activity of the newsboy is in hustling for customers and in making change in delivering papers. Where a boy has a paper route and collects his pay every week he has to keep accounts in at least a crude way.

Taking subscriptions for papers and acting as agent for selling various small articles is such a prominent form of child business that some firms make a specialty of securing child agents. These firms often offer, instead of money, some article that children desire, as a reward for selling. In

many instances the articles are not sold on their merit, but because the customers wish to help the child. This kind of business is often of questionable value to the children.

Farming.—In rural districts a common way of making money is through stock raising and agricultural operations. Unfortunately parents do not always allow this business to be conducted. Some farmers allow a boy to *call* a hog or a calf his until it is sold, then they take some or all of the money themselves. This is giving them an example of dishonest double-dealing that is worse than ordinary business dishonesty, because practised on a child. In other cases the father is perhaps too easy and liberal, allowing a child to acquire stock without effort, feed it out of the father's bin and use all the money it brings. In other cases a more definite business arrangement is made by which the child is justly entitled to the calf or pig and to feed for it. In such instances a definite account may be kept, and this, as the child gets older, is decidedly the best plan.

In raising vegetables or other crops a variety of methods similar to those involved in stock raising are practised. Recently the national and state governments and also commercial bodies and schools as well, have encouraged farming ventures by children. These, in the South and West, usually take

the form of corn clubs for boys and tomato clubs for girls.

Not only do the children carry on the work, but they purchase the seed and fertilizer, market the crop and keep a complete account of all expenditures and receipts. This gives them an excellent general business training as well as special agricultural training which is described further in Part II.

Various Means.—In both city and country children frequently engage in raising vegetables, fruits and flowers and often make a good deal of money, besides winning prizes at fairs and gaining business experience. One girl raised, on a small city lot, flowers that she sold for nearly two hundred dollars.

Picking wild fruit and flowers and selling them are means of making money frequently resorted to by rural children and by those living where they can easily get into the country. Buying traps and guns and getting furs and game to sell is a method of making money that was once practised a great deal by boys, but is now less practicable. This has in many cases given place to the rearing of rabbits, birds and other pets for sale. Besides these more common ways of making money there are hundreds of others, varying according to the locality and ingenuity of the children. With a large proportion of them the parents have little to do.

Parents Should Know of Child's Business Dealings.—In nearly every case the business carried on by the child himself gives him a very valuable form of financial training. It is frequently best that the child shall, in the main, be left to himself in such business ventures. Parents should, however, know what is being done and see that the child engages in nothing that is unhealthful or illegitimate, such as taking lead pipe from empty houses and selling it. More children are brought before the juvenile court for selling stolen junk than for any other cause. Three hundred such arrests were made in Chicago in one year.

Children Not Responsible for a Livelihood.—In the previous discussion it is supposed that the making of money is not an absolute necessity for children, but only a means of getting things that they want. In poor families both parents and children often feel that the children *must* earn money. This is an undesirable condition. It is not well that children should at an early age be oppressed by the feeling that they must provide the necessities of life. The period of infancy and early childhood is naturally a protected one and only gradually should children come to feel the *necessity* of making a living. Parents should take that responsibility and should be at some pains to prevent the young child from feeling it too early or too strongly. The necessities

of the home should if possible be provided by parents, but the child may early learn to provide for his own luxuries and sometimes for articles of clothing.

Advantages and Disadvantages of Early Business Experience.—Engaging in business for himself gives the child the most direct and stimulating financial training of any method of getting money. There are, however, disadvantages in having children engaged in business a great deal. The commercial spirit may be developed too early and too strongly, at the expense of kindness, faith in others and good fellowship. There is always the temptation also to resort to tricks or dishonest practises when the child is very eager to make money. The parent, therefore, should not only know where the things dealt in are obtained and how, but should know how business is being carried on and, by occasional advice and suggestion, prevent the child from being cheated and so as to guard against any dishonest practises on his part.

Typical Examples of Earning Money.—"One of the first experiences of earning money which I remember was when I was about four years of age. My brother and I picked up several baskets of early fall apples and sold them for a few pennies to people passing. The thought of pleasure rather than earning money was uppermost in our minds."

The following is an interesting instance of encour-

agement to earn money that was given by a Sunday-school superintendent:

"A few years ago our Sunday-school superintendent gave twenty-five dollars to the Sunday-school to be divided among the pupils, and each pupil was to try to see how much he could increase his share during one year. The pupils in my class were given twenty-five cents apiece. I bought a dozen eggs with my money and set them. In three weeks I had seven chickens. When they were large enough I sold the four pullets and later I had the roosters killed and sold them. After taking out what it cost to feed them I found I had increased my twenty-five cents to about three dollars. Then I began to buy cloth and made and sold aprons. With the profit from these I made about six dollars. With this experience I learned that twenty-five cents could be increased greatly with the use of a little spare time and labor."

CHAPTER X

SAVING MONEY

Most Parents Encourage Saving.—In a preceding chapter we considered saving money for specific purposes. In this we consider saving, not for a specific object, but in order to have money that may be used in any desired way at a future time.

This is the financial ideal that parents more generally try to develop in their children than any other. With very few exceptions parents who do anything at all to give their children financial training either require or encourage, in various ways, the saving of money for a more or less indefinite future use. Sometimes this emphasized but little understood action affects children in much the same way as religious rites or those of superstition and fear. Just as an unseen danger may arouse more fear than one that is known, or the unknown results of a ceremony may make it impressive, so the indefinite, unknown value of hoarded money may impel to sacrifice in saving.

Intelligent Saving Slowly Learned.—A knowledge of the real reasons for saving and an appreciation of the desirability of doing so, rather than a superstitious feeling that saving is a virtue, are, however, very slow in developing. Only after a child has developed an idea of the use of money for buying now, and of the advantage of waiting to buy something more worth while in the future, can he have an intelligent appreciation of the desirability of having money on hand for anything that he may want in the future.

Only the experience of being unable to buy a very much desired article because of not having saved money can give a child a real appreciation of the advantages of saving for possible and probable future needs. Often many such experiences are needed before this probable future need is as strong a stimulus as a definite object for which the money is to be used now or in the future.

Miss Palmer, in her study of the savings of Chicago children, found that the great majority of the poorer children saved for some definite end, such as to buy clothing or Christmas presents, while the children of the rich more often saved for some indefinite future.

The following illustrates how children may save without gaining any real appreciation of what it means:

"I received money as gifts from an uncle of mine, but I did not care for them at the time, for I always had to put them in the bank or I knew he would never give me any more."

"I remember when I was quite young that my grandmother put money in the bank for me, but I didn't appreciate it at the time and couldn't understand why she didn't give it to me if she wanted me to have it. It was some time later, while overhearing a discussion of money and bank books, that it came to me that I could use it whenever I needed it, even if it were locked up in a safe."

In such cases as this the money may prove useful; and when that happens the idea that thrift is a good thing is made prominent. Having children save, whether they appreciate it or not, may therefore be justified on the ground of utility and because the lesson is learned and appreciated *some* time. This may be admitted, and yet it may be said that a still better plan for parents who know how to do it is to give lessons in saving that will be appreciated earlier.

Having money on hand is the contrast of being in debt. The one who has money ahead can buy when there is an opportunity and at a bargain, while the one who is in debt can not do so but must use his money as fast as he gets it to pay, perhaps with interest, for pleasures already past. The child's attention may well be called to contrasting cases of

adults who save and have money on hand and those who go in debt; but a stronger influence will be his own actual experiences and those of companions. In order that such instances may give the proper lesson the one who has nothing ahead or is in debt ought not to be helped by a loan whenever he desires it to buy what he wants, or by gifts to get him out of debt. If he is, he is likely to conclude that saving and keeping money on hand do not pay, since the one who spends his money as fast as he gets it is helped by gifts more than the one who always has money ahead.

The encouragement of saving is so common among self-supporting people that it is scarcely necessary to say anything to induce parents to do their duty in this direction. It is perhaps worth while, however, to emphasize the point that although money saved in childhood is sometimes a great help to the young man or young woman, yet the most important thing is not the fact that money is saved, but the educational effect on the one who saves. This is often described as the habit of saving. Sometimes it is this and nothing more. In such cases a change in conditions, whereby the youth takes full control of his own finances, may cause the habit to disappear. This is often the case where the saving has been more or less compulsory or at least artificially produced.

Another effect is the formation of an ideal of saving based on observation and experience of the benefits resulting. This and the idea of how best to use money are the most important aims in financial training.

Modes of Saving.—The most common way in which children save money is by putting it in a small bank to be put in a savings bank later. Many make use of the school stamp-saving system. A few put it in a cooperative bank, and others merely give it to a parent to keep for them. Relatives usually encourage all forms of saving, frequently by giving the child some money to start with, adding to what he puts in the bank by making it a condition on which money is given that a certain amount shall be saved.

Occasionally children, instead of putting money in a bank, invest it in some form such as in bonds or property, with the advice of an older person. A boat or a bicycle may be bought partly as an investment for carrying on some kind of business and partly as a source of pleasure. The following illustrates the more usual modes of saving:

"Between the ages of six and twelve I saved a great deal of the money that was given me. I used a toy bank at home and when it became filled I transferred it to the stamp book at school."

"Nearly all the money I earned or had given to

me was put into the bank. I had a small bank at home and when I had enough in it I took it to the savings bank. Some of the money was spent for candy and such things."

"On my tenth birthday my father gave me a five-dollar bill. He has done this for my brother also and probably will give my sister one on her tenth birthday. We have all put this in the bank and used it as our nest egg. We wouldn't think of ever drawing out the last five dollars. The summer after I was ten years old I got twenty-five cents a week for getting the mail for one of our neighbors. This I also put in the bank."

"The only way I saved money from the ages of six to twelve was by the stamp savings system in the schools. The money was given me each week, generally five cents, and when I had the book filled with stamps I drew out the money and placed it in the bank. This is the way my saving by a bank account started."

Some convenient means for saving that appeals to children is usually necessary to induce them to save. The interest of the device used and the practise of companions and adults are frequently more influential in getting a child to save than any real appreciation of the advantages of the practise, as the following partially illustrates:

"The earliest I can remember in connection with

money was my childish joy in putting pennies into my A. B. C. bank. I was not over five years old I am sure. Then, every few days I delighted in shaking out the money and having mamma count it for me. Something to which I looked forward each Sunday was depositing proudly my penny in the basket at Sunday-school, as we marched around singing, 'Dropping, dropping, little pennies, hear them as they fall.' When I had a birthday and stood up all alone before the class, dropping the number of pennies I was years old into a large glass bank, I certainly did feel very happy and very important."

Attractive devices, ceremonies and competition are usually effective with small children. This is well illustrated by the above.

Youths are more influenced by having their attention called to the advantages that have come to themselves and others from saving. They are nearly always surprised to find how much a small amount saved every week will amount to in a year or in ten years.

"I find it very hard to save money now unless I put it in the bank at once. For a time I tried keeping my pennies in a little box until I got five dollars, and then I put this sum in the bank. That worked well for a time, but later on when I wanted extra money I'd break open the box and take out what I

needed. Now out of my allowance I am supposed to buy my gloves and shoes and any small article, also pay my car fares. At first I ran over my allowance every month, but now I usually manage to save a dollar a month. I send this to my mother to put in the bank at home for me. One rather unusual way in which I tried to save money when I was younger was by putting a small amount in at least six small pocketbooks and then hiding them all in different places. Sometimes I'd forget where one of them was and nothing pleased me more than finding one unexpectedly."

CHAPTER XI

FINANCIAL RESPONSIBILITIES OF CHILDREN

What This Means.—A little girl knocks a tumbler off the table and breaks it, or a boy throws a stone through the window. What shall be done about it? In many homes they receive a slap, a scolding or a caution about being careful. In other homes the child asks, "How much did it cost?" and goes to his bank and gets the money. Where children have money of their own and are held responsible for any damage they may have caused to property they expect as a matter of course to pay for all damages that they produce.

This responsibility may be developed in children at eight or ten years of age or even earlier. Whether such an advanced stage of financial training should be reached so early is questioned by some, but certainly before leaving home the child should have learned to be financially responsible.

Financial responsibility can not be properly developed apart from other forms of responsibility. Training in responsibility begins when a child is re-

quired to pick up his own playthings and to return to their proper places things that he has removed. It is given to some extent when a toy that the child has destroyed is not replaced and when he is not allowed to have anything that he mistreats. It is given when a child is cautioned but not prevented from doing something that will hurt him, but not too seriously, such as touching a hot object. Such experiences teach him that his own acts bring inevitable results.

Financial responsibility is felt when a child is first allowed to spend money as he wishes and again when he must do something in order to get money. It is more definitely prepared for by previous financial training in which the child has found that things cost money and has experienced the loss or destruction of what belongs to him. A boy of eight who had a bicycle of his own and a regular allowance was warned not to leave the bicycle out in the rain and sun. He did it, however, and a rim was warped so that it cost two dollars to repair it. The boy paid without complaint and was more careful afterward.

Ownership and Responsibility.—The child's own experiences enable him to appreciate that things belonging to other people cost money and should be replaced if destroyed. For instance, if some one has lost or broken something belonging to him and has purchased a new article or given money for getting

another, he is quite ready then to see that he should make good any damage that *he* has caused. Boys who have been very destructive of property have been known to become very careful, after getting a toy or a garden plot of their own, to refrain from interfering with those of others. It is almost impossible for an adult and still more difficult for a child to understand rights and responsibilities that he has never had himself; hence a child has little respect for property until he has been an owner and suffered loss through his own acts or those of another.

It is not necessary at first that the child should pay for the exact amount of damage that he has done. The first thing to do is to develop the idea that the child is responsible and should do something to replace property he has destroyed. As he comes to know more about figures more exact estimates should be made. It is not necessary, however, that the child should in all cases pay the full amount. If a girl is helping her mother wipe dishes and accidentally drops one and breaks it there is good ground for saying that she should not pay the whole cost of the dish. It is probably well to charge half the cost of any article injured when handling it for legitimate purposes. If a child meddles with something that he has no business to touch and damage results, more may properly be charged.

Punishment and Paying.—If property is intentionally injured full damage should of course be paid and further punishment may sometimes be justifiable. Where a child is held financially responsible for damage to property he should not in general receive any other punishment than this natural one of making good the loss. The only possible exception to this would be in cases where the child has not only damaged property but has intentionally tried to injure some one in that way. In such cases a clear distinction should be made between paying for property and atoning for an unkind act toward some one. If a child is scolded when he has to pay for property unintentionally damaged he feels that he is receiving a double punishment and is likely to consider that the whole thing is arbitrary. On the other hand, if the parent calmly and sympathetically discusses the loss caused by accident or even by some degree of carelessness, and charges only a reasonable sum, the child feels that in making good the loss he is only doing what, in the nature of things, justice demands.

Justice.—It is important above all things that the child shall feel that he is being dealt with justly and sometimes generously. A merchant employed his boy to unpack some lamps, agreeing to pay him a quarter for doing it. The boy broke a lamp that had cost a quarter and the father paid the boy noth-

ing because the boy had caused him that much loss. The boy felt that he had been unjustly treated because he had performed all that work without any reward. The father intended to be strictly just, but probably reasoned incorrectly. In any case he should have been sure enough of his grounds to be able to convince the boy that he was right before fully deciding not to make a more liberal settlement with him. He might have reasoned in this way: "I am out the cost of the lamp and you are out the effort of unpacking the lamps, and since the breaking of the lamp was an accident for which you were not intentionally responsible we will share the loss."

In another case, a boy of twelve, in hitching up a horse, left it for a moment with only one shaft fastened. The horse started and when it felt the unequal strain became frightened and ran away, breaking the shafts. The father charged the boy with half the cost. He paid it without much protest yet claimed that he was not responsible for what the *horse* did. He had on his side the extenuating facts that he had not been expressly told about the danger of leaving a horse in that condition, and the further fact that another boy stood near whom he thought would look after the horse. It is true that the father showed some impatience at the time and this probably contributed to the feeling of the boy that he was not being justly treated. If this had

been the first time that he had been held financially responsible it would have had a bad effect on him, but he was fully accustomed to being held responsible for losses he had caused and had gained a good deal of confidence in his father's justice and kindness, hence the one instance in which he felt himself not treated justly did not destroy his confidence in his father or in the principle of paying for damage done.

Assuming Responsibilities.—Children should be expected to assume many other responsibilities besides those for property, and if they have a sufficient allowance they are usually willing to do so. When they buy Christmas or birthday presents for others it should be out of their own money. Their contributions to church and Sunday-school and to other societies should also be paid from their own allowances. Later, class and society dues and some or all of their small personal expenses should be paid by themselves. Entertainments for their own amusement would usually come under this class, but something attended at the advice of parents, for cultural and educational purposes, may very well be paid for by parents. Of course there is no objection to parents giving their children occasional free treats of any kind they deem fitting.

It is a very good result of financial training when children are ready, without suggestion, to assume

new financial responsibility. It is not unusual for them to take pride in buying some of their own clothing or in getting some treat for other members of the family. The highest result of financial training is the appreciation of money, not merely as a means of gratifying one's own desires and meeting just claims on one, but as a means of contributing to the pleasure of others.

Typical Examples.—A few of the various ways in which parents deal with the destruction of property, and the varying effects of these ways on their children, are illustrated below.

"As a child I was not held responsible for breaking or damaging goods. If I broke a dish that was valuable I received a scolding but was not obliged to pay for it. If the dish or article was not valuable I did not always receive a scolding. Occasionally, however, I was made to pay for library books kept over time, if I let several run by the date for returning. I practically never had to pay for broken goods."

"I never had to pay for anything I broke, and my father usually replaced anything I needed or wanted very badly. I do not remember of his ever scolding or punishing me when I had destroyed or injured anything. Instead, he made me feel sorry by telling me that many children never had such nice things and that if I didn't like them and take good care of

what I had he would give the articles to those whom he knew would be very thankful and careful. In most cases my father's own sorrowful manner when I had broken anything made me feel badly. As something was generally put in the place of the article destroyed I did not miss the latter and was not punished by going without it. I remember having to mend torn leaves in a book and I know that made me careful not to tear any more leaves, as I did not like the task."

"When I was a child I used to feel very badly when I broke anything. If it happened when no one was around I hated very much to tell my mother about it, and I would put it off as long as I could. Finally, however, I would tell her. I do not remember ever being spanked for breaking anything but I know that my mother used to speak to me about my carelessness and sometimes scold me quite severely. However, when it was over a great load was lifted from my heart and I soon forgot all about it."

"One day, a few years ago, I became very anxious to go out with my playmates, who were enjoying themselves by playing games. Mother said, 'You may go out and play, but mend your dress before you go. Remember a stitch in time saves nine.' However, I forgot, and ran out without mending the dress. Just when we were having a merry time that little ripped place in my dress caught on a nail

and before I knew what was happening the whole hem was ripped off. I had to stop playing and go home. I knew I would have to mend my dress myself, and I knew it would take the rest of the afternoon to do it. My mother handed me a sewing basket and said, 'A stitch in time saves nine.' A stitch in time would have saved me at least fifty-nine that day. Every Saturday mother gave me ten cents and I always looked forward to it, but on this day I was much disappointed for I was told that I could have no more money for two months. It was saved toward buying another dress. Without doubt I should have learned a lesson even if I only had to mend my dress, but when I could not have my money I realized that even a dress for play was of some value."

"My parents did not believe in punishing me when I broke anything. My father's idea was, and still is, that no one breaks anything on purpose, and that it is not carelessness. As a rule I did not break very many things when I was a child."

"When any property was destroyed, such as windows, I was usually given a whipping, while my folks paid for the damages."

"If I broke or destroyed anything that belonged to a person outside of my own family, whether on purpose or accidentally, if it was of any value I was required by my parents to pay for it

out of my own money. In my own home if I broke anything by accident, I was not obliged to pay for it but in case I did it on purpose I was punished and had to pay for it too."

"When I broke dishes I was never made to pay for them but my mother always pretended to feel so badly or, if it was a good dish, really did sorrow so much that I had a great horror of the occurrence. The times I felt most seriously were when I broke anything of my own. It seemed more terrible than ever then. When in school I always paid for anything I broke and in a private school which I attended the principal always told us if we broke anything to report to him at once and he would tell us what to do about the matter. This always seemed a matter of course to us all, and so when we broke anything the first thing we did was to report to him, and the next, to do whatever he decided on in payment for the loss."

"I do not remember of ever destroying or breaking anything except lamp chimneys and other small breakable articles before I was sixteen years old. When I broke any of these articles I usually received a severe scolding, but it did not seem to do so very much good as the dishes were usually broken while I was washing them and they slipped out of my hands before I knew it. I think it did make me a little more careful though. Once I remember

breaking a dish that my mother was very fond of and, fearing a scolding, I hid the dish in the ash barrel. It was finally found and mother was very angry."

"When I was about five years old I took great pleasure in watching my grandfather weed his garden. He explained to me one day the harm that the weeds did. A few days later I was playing in a neighbor's yard and noticed a small garden full of what I supposed were weeds. I set to work and succeeded in pulling all of them up. I then took a few home and showed my grandfather what I had done. He looked at the 'weed' for a minute and then told me that I had pulled up all my neighbor's radishes. I had been told never to touch things that didn't belong to me and I knew I would be punished for this. My grandfather had given me money from time to time so that he knew I could buy more radish seeds but he also knew that I wouldn't consider this a punishment. So he decided on a plan that he knew would be a severe punishment for me. I think I was more afraid of strangers than most children and would never say anything to persons unless I knew them well. My grandfather therefore gave me a package of radish seeds and told me to go to the neighbor's and tell her what I had done. I think no one can realize how hard this was for me. I certainly will never forget it. Later, whenever I

did a wrong thing, I was punished in the same way, for my parents realized that this was more of a punishment than anything else."

"When I was small I had my own playthings and toys marked and so did my brothers and sisters. We each had a special place in the closet and a drawer in a cabinet to keep them in. If at any time we borrowed one another's toys and lost or destroyed them we had to settle with the owner, sometimes by giving over something that belonged to us, or by paying for the article. We were taught to be careful not only of our playthings and personal belongings, but also of everything in our home. If we accidentally broke a window, a lamp globe or shade or something of this sort we were made to pay for it out of our own money, provided we had any at that time, and if we didn't we were given some extra work to do. Maybe we had to walk right up street to the store to get a duplicate of what we had broken and this we always thought a terrible punishment."

A Broader View of Punishment.—Evidently there are many ways of training children to be careful. Those parents who scold or punish aim chiefly to make the child more careful by making the consequences of carelessness painful to him. Those who do not scold or punish but show sorrow impress the child with the fact that injury to property gives others pain, while those who require that the

loss shall be made good are bringing home to him the fundamental truth that acts have inevitable results and that each person should, as far as possible, bear the consequences of his own deeds. Parents can not, however, easily deal with children in a way contrary to their own training and their own philosophy of life. Modern science reveals causes and effects and educators are taking the ground that punishments should reveal truth by calling attention to natural consequences. They do not serve their real purpose when they merely produce pain and cause a change in conduct. This accords with Herbert Spencer's theory of natural punishments, as being preferable to artificial ones.

CHAPTER XII

BUYING CLOTHES

Paying for Necessities.—In most cases where children are given an allowance they are expected to pay only for luxuries and a few small necessities. Some parents, however, give an allowance designed to cover all expenses including that of clothing, usually with the express idea of giving the young person training in the use of money. Some children take pride in being able to buy important articles of clothing from their own earnings or from an allowance not intended to cover the cost of clothing.

Not a Good Plan for Young Children.—Not many children buy their own clothing until they are in their teens. In most cases it is not wise to give an allowance for that purpose earlier, not only because the child would not have sufficient foresight and judgment but because some children would perhaps not care to dress so well as their parents desire, and hence might spend too little on clothing and too much for other things. In their teens, however,

when the social and sex instincts develop, there are few young people who are not anxious to conform to the conventions and desirous of dressing as well as their companions. The most serious danger in starting children on the plan of buying everything is that they may use up their money nearly as fast as they get it and not save enough for the larger things that must be purchased only occasionally. This is a situation that every one must meet sooner or later and it is well that a child should meet it before he is of age and begins to shift for himself. He should suffer some of the inconvenience resulting from bad judgment or lack of self-control; yet help in getting out of the difficulty, in the form perhaps of an opportunity to earn some extra money, may better be given the child than later to the young man. It will be less harmful to his self-respect and independence than it will be after he has started out for himself. However, this danger may be largely avoided by starting the plan gradually. The results of hastily entering on such a plan are illustrated by the following case, while the second one shows the results when more thought and self-control were used.

"When I was thirteen years old I asked my father if he would give me an allowance of fifty cents a week, and I said that if he would I would buy my own stockings and hair ribbons. One of my friends

did that, and I wanted to try it too. All went well for a time for it happened that I had just had a fresh supply of these two articles given me, but when my stockings began to wear out I began to wish I had never made such a contract, for I spent my money each week and had not saved a bit for emergencies. And what bothered me most was that they all wore out at the same time, and as they were not darned properly, owing to my carelessness, for I had to darn my own, they soon looked very shabby indeed. What I did spend my money for each week was mostly ribbons. I loved pretty ribbons and consequently I did not suffer for want of those ornaments. However, it was different with the stockings. I do remember buying four pairs of them on throwing the last old pair into the rag-bag, but it rather hurt, spending two whole weeks' allowance for such trifling articles, and I resolved to be more careful of those. I don't remember just how long this lasted but I think not more than a year, and I know I was ready long before then to go back to my old allowance of twenty-five cents and let my parents buy my clothing wholly."

"When I was a senior in high school I asked my father for an allowance. Up to this time whenever I had wanted money I had always asked him for it. But now I thought I'd rather have a certain amount to do with as I wished. My father agreed, with the

condition that I was to ask him for no other money besides this; that is, to spend for pleasure. For a time I couldn't seem to manage it properly, for at the end of the month I was always out of money and often asked my mother to lend me some until the next month. After a time, however, I learned to manage better and soon had no trouble at all. Now my father gives me a larger allowance out of which I pay my car fares and for lunches at school, but now, instead of running in debt, I manage to save a little money each month. I think the other method, that of asking for money and getting it from time to time, causes less calculating, but the allowance plan makes me feel more independent."

Preliminary Training in Buying.—No child should, without any preliminary training, be given the responsibility of purchasing his own clothing. He should have had much training in using a limited supply of money and have learned to choose things of permanent value, even though he must save for some time in order to get them.

He should also have gone shopping with his parents and learned a good deal about the cost of various articles and their durability. For several years, too, he should have been allowed some choice as to styles and colors of articles purchased.

It is sometimes well to begin with one article of clothing, such as shoes, allowing the child to have

anything left from this allowance to use for pleasures. This may be done with children between nine and twelve, who may thus learn to economize a good deal by proper care of their shoes, such as avoiding wetting and having them repaired at the right time.

It will be of great advantage to the youth beginning to buy his own clothing if he has kept an account of all the clothing purchased for him during the previous year. This will give him some idea of what he will need and perhaps also help the parent to decide how much should be allowed him. As he gets older his expenses for dress and social affairs will be greater, and unless opportunities for earning increase he will need more each year.

Helping After the Plan Is Started.—The young person will usually need and desire some help from parents in purchasing his clothing during the first few years. The reasons for buying one thing rather than another should be fully discussed. If the parent believes in buying the best rather than the cheapest, this doctrine may be inculcated, but should admit of some modifications in the case of growing children who are likely to outgrow the best clothing before it is worn out.

The experience of buying one's own clothing gives a training in advance of that gained by spending for pleasures and saving for what may be de-

sired in the future. It is a considerable step in the transition from the protected condition of childhood, in which all necessities are provided and purchased for the child and he has only to look out for the extras, to that stage in which he must first of all provide the necessary things of life and be sure that he has enough money before he can buy things that he would like but does not really need. The development of this tendency is one of the most important preparations for successful financiering in adult life. It is the final lesson regarding the spending of money which the youth needs before he starts out for himself.

The age at which it is best for a child to take the responsibility of buying all his own clothing varies greatly with the individual, not only as regards previous training but as regards his natural disposition. One child of twelve may be more successful in managing an allowance for clothing than another child in the same family who is half a dozen years older. It is not best to begin the plan if failure is certain to result. Financial stability as an adult is better assured by reasonable success in financial affairs as a youth, than by complete failure.

In many instances it may be well to begin with a few articles of clothing besides shoes, such as gloves or ribbons, and as the child profits by the experience

increase the allowance and the number of things for which he or she is responsible. The following illustrates how parents may prepare children and help them to be successful in buying necessities.

"My father has given me a small allowance for several years and I put this with what I earned. I had four small envelopes upon which I wrote, 'Spend,' 'Birthdays,' 'Christmas,' and 'Save.' I divided my money unequally between these envelopes. With the money I saved I bought several dresses and once I saved long enough to buy a muff. Nearly always I saved enough to buy my gloves and sometimes my hair ribbons. I always enjoyed doing this very much because I was helping and I thought more of the things I bought with my own money. It also taught me the value of money. Another reason why I enjoyed saving my money and buying things for myself was because my parents were so pleased to think I, myself, thought of the plan of having four envelopes."

"Before I was fourteen I earned a great deal of my own money, earning from one to two dollars a week doing various kinds of work. This money had to buy all my accessories, such as ribbons, tan shoes and stockings, extra dresses, pins, ties, etc. At times I had to buy the trimmings for my clothes if I wished them different from the way my mother

planned. Although I paid for many of my own clothes I seldom selected them, as it took too much time."

Children's Budgets.—No general rule can be given for the budget of a child of a given age because of differences in neighborhoods and in the social positions of families. It may be well, however, to modify the following general schedule to fit conditions in your neighborhood:

CLOTHING

Outside clothing
Suits and dresses
Underclothing
Hats and shoes
Adornments (ribbons, ties, etc.)
Athletic and outing necessities
Cleaning, pressing and laundry

OTHER NECESSITIES AND INCIDENTALS

Car fare
Lunches
School or society expenses
Postage and stationery
Benevolences
Gifts
Vacation expenses

LUXURIES

Entertainments
Sports
Sweets
Losses and breakage

SUGGESTIONS

The following are some of the questions that need to be considered: Which of these items do not need to be considered in your neighborhood? Do any need to be added? Would it be well for the parents to retain the responsibility for some of these? It would be well if parents of each community should meet and discuss these questions and make estimates of what the conditions of life in the neighborhood demand. If this is not done some children have too much, many are dissatisfied and a few really have too little. A detailed estimate for each item should be made on the basis of what is known of the facts in the neighborhood. In a club, several should do this, and, if possible, figure on a final estimate.

CHAPTER XIII

KEEPING ACCOUNTS

Why Keep Them?—Keeping accounts is often an enlightening experience to adults and may be even more so to children. It is not only a means of financial training but incidentally it gives training in penmanship, spelling and arithmetic. Keeping accounts also emphasizes the importance of transactions by putting them on record. There is often hesitancy in recording a use of money that is admittedly foolish. The greatest advantage is in being able to tell how much money has been spent for various purposes and to plan more wisely in the future.

"When I was twelve years of age my brother had a paper route and I always considered it a great honor to be allowed to help him with it. Finally he made a bargain with me. I was to receive so much a week and have a certain small portion of the route for myself. This necessarily meant keeping an account, a thing very new to me and inter-

esting. I usually came out evenly at the end of the week and also found it to be the only way I could save a little money. If I did not keep an account, which I tried for a short time, I often spent my money for candy and at the end of the week came out very much in arrears. Ever since keeping that paper route account I have had a great dislike for accounts and nothing could induce me to keep one now, although I will admit they are very beneficial."

The Essentials.—The essential things in an account are (1) date of receiving or expending money, (2) the purpose for which it is received or spent and (3) the amount. The receipts should be kept on a separate page from the expenditures. In the simplest form of account keeping, this, with occasional balancing, is all that is necessary. It is sometimes well to balance every week so that omissions may be discovered before they are forgotten. At each balancing the amount of cash on hand should be set down and money owing to or from the child may be indicated if it is thought best. The next week, when balancing, the cash on hand the previous week and the receipts should be compared with the expenditures and the present cash on hand. If these two sums are not equal something has been omitted. Of course, if the child receives money in payment of a loan, that should be recorded with the receipts and the same is true if he borrows

money, while any loans that he may make should be placed with expenditures.

The following will illustrate the accounts kept by a boy of fourteen:

RECEIVED

April 13—Cash on hand	$0.50
Due—From E. A. K.	1.80
April 15—Fishing rod, sold	.60
April 16—Car tickets, sold	.10
April 17—Cash from E. A. K.	.50
April 19—Share of eggs	.10
April 20—Allowance	2.00
	$5.60

SPENT

April 14—Car tickets	$0.50
April 14—Lunch	.03
April 15—Ball	.10
April 15—Lunch	.14
April 16—Fishing tackle	.45
April 16—Lunch	.03
April 17—Lunch	.05
April 17—Candy	.05
April 18—Lunch	.04
	$1.39
April 20—Cash on hand	.51
April 20—Due from E. A. K.	3.30
	$5.20

In this case the boy received a weekly allowance from E. A. K., but usually kept some of it as credit, instead of having it all in money. In balancing up

it was necessary each time to figure how much was due, then see if the cash on hand would make the balance; if not, and an effort to recollect any omission or to discover any mistake failed, the boy put down the amount lacking under the head of "lost."

After a child has had some instruction in bookkeeping he may keep a more elaborate account, but a simple one will do for a beginning. At the close of the year or oftener the account should be gone over and the same or similar items grouped, to discover how much is spent during a quarter or during a year for various purposes, necessary and otherwise. The child will often be surprised to find how much small items of luxury such as ice-cream and candy amount to in a few months. This will tend to make him a little more careful of the pennies and nickels. In talking the matter over with him the question kept most prominent should be that of using the money so as to get the most out of it, whether it be by saving for the future or by buying more of some things and less of others.

If the child has several sources for the receipt of money the other side of the account should be analyzed to find out how much he has earned by work and how much he has gained from other sources besides his fixed allowance.

It is not, of course, necessary that the keeping of accounts should be confined to those who have an

allowance; the experience will be helpful regardless of the way in which the child receives his money.

When and How to Begin Personal Accounts.—The age at which a child may begin keeping accounts may vary greatly according to the progress of the child and the amount of attention the parent gives to the matter. A child of three or four who is given a certain number of pennies each week observes how his store disappears. As soon as he can count he keeps a more definite mental record. If a mother desires to do so she may begin keeping an account for her child when he is just beginning to learn to write and do numbers. Then as soon as he can make figures and write a little she may let him keep his account, showing him how and helping to spell the hard words. In most cases, however, children are not asked to keep accounts until they are ten or twelve years old. It should not be delayed much longer than this.

A failure is disagreeable, especially if it occurs frequently. This is the chief reason why older people so often dislike keeping accounts and why children often hate them. If accounts do not balance, as is so often the case, the sense of failure is borne in on one and keeping accounts is held responsible for the unpleasant feeling. There is some justification, therefore, in encouraging children to keep records of money that they get and that they spend

without asking them to balance the account. After they have become used to keeping accounts and have been taught how business men keep them, they may take pride in using the same method and in having the accounts balance.

Other Accounts.—With the keeping of personal accounts there may well be preliminary and supplementary practise in making out statements of shopping errands. These should include a statement of money received and the items of expenditure, and the cash returned should balance with it. Considerable financial training may be obtained by girls in connection with household affairs. For example, a little girl of eleven, who had just baked her first batch of bread, figured out its cost in comparison with baker's bread in the following way:

BREAD

2 teaspoons salt and 1 teaspoon cottolene, estimated.....	$0.01
½ cup molasses at 60c per gallon.....	.02
½ cup sugar at 5c per pound.....	.01
½ sieveful graham flour at 3c per pound.....	.02
3 cups milk at 6c per quart.....	.04
3 sievefuls of flour at 3c per pound.....	.18
1 yeast cake at 2c per cake.....	.02
	$0.30

This recipe made six pounds of bread and one and one-half dozen biscuits, which would cost seventy-five cents at a bakery. This shows that forty-five cents are saved by making bread at home, not counting the work and cost of baking.

Some children take naturally to keeping accounts, as the following reports illustrate, while others always find them a bore, but there is almost universal testimony that the experience is a valuable one.

"At first I used to keep account of the cents I spent in little books made by myself out of plain white paper. Then one summer when I was about twelve I used to go into my cousin's house next door and dust or wash dishes for her several times a week, and she gave me my pay at the week-end. A record of this and of what I spent it for I always kept in the back of some old diary where pages are lined for account keeping."

"When about ten years old I used to amuse myself by making out an imaginary order. For instance, I would pretend that I had one hundred dollars to spend. Out of a catalogue I would choose the dresses, hats, etc., that I liked best and carefully fill the order blank. I was very careful that the amount was no more or less than one hundred dollars."

"When about thirteen and fourteen I had an allowance, although very small. I kept account of all I spent and what I received, although it was sometimes difficult to make my money balance with the books. Too often I would forget to put down some expense and then wonder where the amount

had gone. I thought by keeping an account I would save more money, but I didn't do as I expected. It was while keeping accounts that I realized what small things take the money out of our pocket-books."

CHAPTER XIV

FINANCIAL COMMUNISM IN THE HOME

Practicability Dependent on the Spirit of the Home.—In many homes there is a common pocketbook into which all earnings go and from which is purchased whatever is needed, as determined by one or more adults of the family or by family council. The spirit in which this method of financiering is carried on may make it one of the worst or one of the best methods possible.

Dangers.—This plan, even when the family consists of only husband and wife, often fails in practise. To succeed both must be on an absolute equality or all differences must be fully concealed by love. Unless both feel that everything belongs to one as much as to the other and that their needs are equal, or else that all belongs to both, and however spent is being used for both, the plan will not be satisfactory. In the first the tacit understanding is likely to be transferred into definite understanding and comparison, or one is likely to take more than the proper share, either with or without

the complete approval of the other. If one denies himself and the other spends freely the equality is destroyed, and the more careful one, if he or she desires to spend a little extra, scarcely feels it right to do so. If both spend freely the supply may become short, and if both save they may become miserly.

Even in the second case, where love seems to conceal all differences and each is as free as the other to use the money and each is equally pleased, no matter for which the money is spent, a situation similar to that described above may gradually arise, unnoticed by either. Even if it does not there is often the desire to devote something that is entirely one's own to the pleasure of the other or to some special object. Where there is nothing peculiarly one's own this is impossible.

In many homes where there is, in general, financial unity, it is still found more pleasant for at least some small portion of the income to belong to husband and wife personally. They can then more truly give each other presents or spend money to gratify their individual desires. In one home all bills were paid from the common fund, then the remainder was divided equally between husband and wife for personal use as each saw fit. This plan seemed to work very satisfactorily.

It may be, as some would say, that if there were

perfect unity and love, so that the interests of one were fully and completely those of the other, there would be no desire for money for purely personal use. If this were admitted theoretically, still, as people are constituted and mated, there would not be one case in a thousand where this would be true of a husband and wife and would remain true all their lives. Again, it may be questioned whether even theoretically this would be desirable. Would it not be too great a sinking of individuality to have such a complete fusion of interest? Will not both be more useful, happier and more interesting to themselves and others if each, while caring as much for the welfare of the other as for his own, or even more, still desires in many ways to live his own life and have the other do so? Financially this will mean that each shall wish the other to have funds for common use and also a certain more or less definitely fixed amount for personal use.

Partial Communism Better.—This probably is as close an approximation to an ideal financial arrangement as is practicable. In a home where there are children the same plan may be followed, the family rather than the individual being the chief unit. In family council plans may be made for the good of all its members. It may also be agreed that each one shall have certain amounts for giving presents or for other personal uses. The parents will

naturally have the greater influence in these councils but they may be conducted in such a way that all shall feel that the interests of the family as a whole are of primary importance. Children thus treated are more likely to favor the use of money for some common end, or for some other member of the family, than to clamor for it for their own use, as they often do where the idea of individual use of money has been developed into selfishness.

Advantages of Common Money Interests.— That the family is the chief unit financially, to which all the income belongs and for which it should be expended, is an important truth to be taught. It produces a delightful social and moral atmosphere in the home and is preparatory to the training of public-spirited citizens who consider the interests of town, state or nation as well as their own private welfare.

This ideal may be developed, however, without omitting to teach the equally important truths of individual financial rights and responsibilities. In the dealing of the family with outsiders some of these principles may be learned. If the children have chances to earn money outside of the home this financial training may easily be given. If their money for personal use comes from the family fund, an allowance is less opposed to the communistic idea than payment for work done in the home.

Money Affairs Related to Other Affairs.— This suggests a point that one must continually have in mind in planning the financial training of children. The money affairs of a family are not separate from their other interests but intimately connected with them. The spirit of the home will make a great deal of difference as to the success of any financial plan that is adopted. In a home where individualism prevails, especially among the children, each seeking his own interests to the suppression of those of the others and of the family as a whole, the same financial plan will not work as in a home where each has the interests of the family and each member at heart. In the one, each is trying to get as much as he can for himself and, in the other, to contribute as much as possible to the family life and happiness. A looseness in financial matters that would prevent the success of a financial plan in a home of the first type would be quite permissible in a home of the second type. There may be great looseness of financial relation between members of the family in a home of the latter type, without injury, providing none of the family become selfish and all are very careful to be strictly honest and just in dealing with those outside.

The above statement should not be taken as an excuse for having no plan of financial training in the home or for not carrying out such a plan when

one has been adopted. The financial transactions of the home are a part of its life and exercise an important influence upon all phases of social life in and outside of the family. Directing the financial affairs of children properly is merely one way of directing their whole life and training them for successful enjoyable living. Indeed, all social and moral problems are involved in financial transactions and their real nature may perhaps be best understood in such transactions. It follows, therefore, that the financial training of children is one of the means of developing a proper spirit in the home. This is possible only when children use money both for the needs and pleasures of others and for their own personal gratifications.

PART II

TRAINING OUTSIDE THE HOME

CHAPTER XV

INSTITUTIONS FOR CHILDREN'S SAVINGS

Means of Saving Provided by Various Societies.—Reasons for the financial training of children are supplied in abundance by social workers. Many of them find that they can render the best service to the people of the community in which they are working by providing them with a convenient means of saving and by teaching them how to buy wisely. They find it very difficult to teach adults thrift and get them to overcome habits of self-indulgence and wasteful use of money. Yet it is found in most social settlements that work along that line is well worth while and closely associated with improvement in other lines. Time and effort are still better expended in giving children financial training because the results are so much greater than in the case of adults whose habits are hard to change.

Not only have social settlements done a good deal to provide opportunity, encouragement and instruction in saving and spending, but various philan-

thropic and business organizations have provided means by which department-store employees, factory workers and others may save money for specific purposes, such as a coat, a dress, winter clothing, a week's vacation, Christmas presents or any one of a hundred things that may be desired but can be obtained by the poorly paid wage earner only by going in debt or by saving for a considerable length of time.

Until recently in this country opportunity and conveniences for this form of saving have been furnished by neither banks nor the government. It is not strange, therefore, that pawnbrokers, loan sharks and sellers of goods on the instalment plan have flourished at the expense of those with little money and slight financial training. Recently, however, the post-office has been opened to receive small savings and many banks are offering facilities for the temporary deposit of small sums.

In England the government favors the small depositor to such an extent that there is no need for schools or charitable organizations to conduct a stamp or other savings system. A child may buy a single penny stamp and when he has a shilling's worth of them he can become a depositor in the post-office. Teachers there need only to encourage saving while the government furnishes the opportunity.

Work of Schools in Promoting Saving.—In this country there is need in most places for the schools to furnish both facilities for saving and instruction regarding financial matters. This is now being done in perhaps two hundred cities and towns, but only a small fraction of the school population is reached. In 1913 a quarter of a million children had deposited five million dollars through the schools. In a large proportion of cases where school children are given facilities for saving some society or bank is cooperating with the school authorities or with the teachers in caring for the savings. In some cases the teachers do much of the work of receiving the savings and keeping the accounts, while in others an agent of the society or the bank visits the schools and does most of the work. In a few places the matter is attended to, in part at least, by pupils in the commercial department of the high school.

The Two Methods Most Used.—The two principal forms of money saving carried on by schools are the stamp saving system and the school banking system. Both have the same purpose and are often arranged so that local banks take charge of individual deposits as soon as they reach a certain amount, usually one dollar. The stamp saving system appeals to younger children because they can see by the increased surface covered by stamps how

their savings are growing. To older children buying stamps may seem babyish, while an account book and the possession of a bank book similar to that of adults is a matter of pride. The latter system also gives some training in proper methods of keeping accounts. Disappointment through loss is also not so likely as in the stamp saving system.

How it Works in One Place.—The following, quoted from a circular sent out by Superintendent Cummings, Lansing, Michigan, describes a good system that is working well:

"The system of School Savings Bank was introduced into the Lansing public schools in November, 1908. Its aim is to develop thrift, frugality and self-denial, and also to give the pupils some familiarity with the actual practises of banks and business. It is not the plan of this system particularly to encourage the saving of large sums of money, but rather to develop the habit of saving for some definite purpose. Three thousand, ninety-eight pupils are at present availing themselves of the school savings system and the amount on deposit is well above ten thousand dollars. Is not this conclusive evidence of the good that is being done? Certainly a large number of the boys and girls are learning the value of the penny.

"The system in itself is simple. Each pupil expressing a desire to start a savings account is fur-

nished by the teacher with a small manila card, ruled for each of the thirty-eight weeks of the school year. Deposits are made by the pupil directly with the teacher upon the day set by the school as 'bank day,' and the pupil is at once credited upon his card with the amount of such deposit. The money thus received by the teacher is turned over to the principal of the building and deposited by him in the depository bank. When the deposits of any pupil aggregate one dollar the principal checks out one dollar from that particular school's account at the bank, and the bank issues a slip to the pupil, entitling him to one dollar's credit in the bank's saving department. This slip is taken by the pupil to the bank, where he deposits it and for the first deposit receives a regular bank book. For each subsequent deposit he receives credit for one dollar. The above plan, subject to certain rules and regulations, a copy of which appears upon the pupil's card, constitutes the system."

Cautions To Be Observed.—To get the best results from a saving system in school the mere idea of saving is not the only thing to emphasize; the question of wise spending is of equal or even greater importance. The so-called habit of saving will persist with few, except miserly persons, unless the advantages of such saving are impressed on them through getting a great deal of satisfaction

from the money that has required time and sacrifice to save.

Where nothing but saving is emphasized the chief interest often consists in competing with other children as to amount of savings. This puts some children at a disadvantage and has, in some cases, led to stealing. It may also become as objectionable as is the rivalry between adults in making a show of wealth.

Institutions that concern themselves only with saving are frequently popular only as long as there is novelty and some competition. This is the reason why, in many cities, great interest is shown in a savings system for a year or two, then it dies out and not infrequently the plan is abandoned.

If, on the other hand, attention is given in any town or city to wise spending of money that has been saved the interest is likely to continue and the individual children will steadily develop better ideals and habits in financial affairs. More time may well be spent in talking to children about good ways of spending money than in urging them to hoard it. Also definite things for which a child is to save will furnish the most natural motive for keeping his money. Children may often be interested in telling or writing an account of how they got the most for the money they had saved.

What is Gained by the Promotion of Saving. —The chief intellectual lesson derived from saving lies in discovering how much a little laid by every day or week will amount to in a few months. The best financial and moral training is gained by giving up little indulgences for a time, then spending on some larger and more permanently satisfying thing, because this develops the tendency to inhibit present desires for a future and greater good.

A large number of answers to questions regarding the advantages and disadvantages of savings systems in schools contained many such expressions as the following: "Surprising results as to accounts booked"; "Has proved most successful"; "Children spend less on candy"; "It has taught the children the value of money and encouraged thrift"; "Habit of saving formed"; "Less use of candy and cheap soda." In none of the answers sent the author were there any disadvantages mentioned, while in many it was stated that there was none.

It is undoubtedly true, however, that such systems are not having as universally permanent an influence on children as some of their enthusiastic advocates think they have. Of forty-one normal students who had, when in the grades, an opportunity to deposit in a school saving institution, thirty-two had done so but only nineteen had con-

tinued to deposit for more than one year. Seventeen were sure that the experience was a valuable one to them. Rivalry was named by the majority as the chief incentive to saving.

In most cities little was reported as having been done by the schools to suggest ways of spending the money that was being saved. This should be a prominent feature in all promotion of saving.

CHAPTER XVI

SCHOOL ARITHMETIC AND FINANCIAL TRAINING

Aims and Deficiencies in Arithmetical Training.—Two aims have been varyingly prominent in the teaching of arithmetic,—the scientific or disciplinary, and the practical. By the common people arithmetic has been regarded with favor in this country, because they believe it is of practical value, especially to boys.

Until recently, however, most writers of text-books and many teachers have been dominated by the scholastic idea of arithmetic as an exact science and by the pedagogic theory that thorough training in it is the best form of mental discipline. Yet they were influenced by the demand that arithmetic should be of practical value, to the extent that all sorts of subjects and exercises connected with business were introduced into the text-books and made the basis of long and careful drill by teachers. Long

hours were spent in working examples in partial payments, banking, stocks, bonds, insurance, commission and taxation, by pupils who had never seen a note, cashed a check or heard of bonds or commissions outside of school. Still business men continued to complain that clerks fresh from these schools were not good in practical calculations.

Text-book makers and teachers improved matters somewhat by explaining terms more clearly and illustrating them by the introduction of the forms of business into school. The examples were made more practical and less illustrative of technicalities. In some cases an imaginary banking or other business was carried on in school. In spite of these efforts, complaints are common that most graduates of both grade and high schools are not practically trained.

Academic Idea Prominent.—Two reasons for this unfortunate condition may be mentioned. The first is that the teaching, in spite of the efforts of text-book makers and of educators, continued to be academic. In most cases teachers had great respect for arithmetic as an exact science and for the traditional classifications and processes. This tendency was increased by the standards set in grading examination papers. Examples were selected and arranged with a view to showing clearly the different

types of examples and the exact rule that must be followed for each type. The text-book maker reasoned that this was necessary to make his books respectably scientific and the teacher felt that only by carrying out this idea could she show evidence of thoroughness when her pupils were subjected to examinations. The children felt no particular interest in the subject-matter of the problems and did not care who experienced profit or loss. Each child knew that his business as a pupil was to classify the problems correctly and apply the right rule so as to get the required answer. He also tried to write out the example and explain it according to the forms prescribed by the teacher, if she made much of that feature of the work, as was often the case.

However hard educators tried they were often unable to change this academic attitude on the part of all concerned. This is not strange, for a mathematician naturally regards every problem as embodying a general principle which is the important thing. It is impossible for him to attach as much importance to the *rate* of interest, or the *nature of the debt* upon which it is computed, as to the mathematical principle involved or to the logical statement of reasons. This point of view may be defended on the ground that it is the principles that are important rather than the particular problems by means of which

they are being studied. Yet it is this attitude that makes the arithmetic teaching academic rather than practical.

The Business Attitude.—The man of business is not concerned with mathematical principles and logical statements, but with the correct answer to the particular problem which means dollars and cents to be received or paid out. The exact nature of the transaction and the particular amounts involved are the things he notes most carefully, while the mathematical principles applied, if thought of at all, are only means to the important end, a correct answer.

The natural attitude of the child is analogous to that of the business man. He is inclined to think, much to the disgust of a scholarly teacher, that the correct answer, no matter how obtained, is the important thing.

As long as the academic standpoint is prominent in the teaching of arithmetic, pupils will get good marks in school and blunder in practical affairs. Some means must be found of harmonizing the scholarly point of view with the natural attitude of the child and the business man.

The teacher must allow to the child his belief in the importance of results, but she must convince him by experience that the best way to get the correct result is by adhering to certain mathematical

principles and perhaps also by arranging the work in a certain way. If she can not convince him of the advantages of such rules and arrangements then it is likely that there is something wrong, either with the rules or her teaching.

Knowledge of Business Facts Lacking.—The second reason why the effort usually fails to make arithmetic practical is closely related to the first. It is that the child has been taught processes involved in business transactions of which he has little or no real knowledge or experience, or in which he is not interested. It is perfectly natural that one should not be eager to learn exactly how to perform an operation that he has never attempted to perform, that he has no expectation of performing soon, and that he has no motive for performing now, save that of meeting school requirements.

What difference does it make to him how much Mr. A owes Mr. B for selling one thousand two hundred forty-six dollars and fifty cents' worth of goods at a commission of three per cent.? It gives a little exercise to his imagination to suppose that he is the merchant who has consigned the goods to his chum John, but he knows that it is only a play affair and not a real transaction in real money. As a play it may be quite inferior to imaginary lion hunting, for you can play you have killed the lion without taking so much pains in taking aim as is

necessary in calculating the amount of the commission.

Acting out business transactions, however, does give a pupil a much better idea of the real nature of the problems he is solving. But that does not give any but younger children the same motive for solving the particular problem, and for learning the general principles involved in solving it, as is given by real transactions in which the pupil himself or persons that he knows are actually concerned.

Attempts at Improvement.—In such an example as follows, from a popular arithmetic, there is an attempt to give reality to the problems.

Mr. Evans' tax is three thousand five hundred and sixty dollars. The rate of taxation is two and one-half per cent. What is the assessed value of his property?

Since, however, this is one of a list of problems of applications of percentage, no other of which has anything to do with Mr. Evans, there is no probability that the pupils will feel any desire to know what the valuation of Mr. Evans' property really is.

In another, a diagram of a beet field is given and six problems regarding the growing of beets follow. Three of these are independent problems and three are related in such a way that the answer to

one gives data used in the next problem. This gives some financial training, since the problems of beet growing are dwelt on long enough to make some impression as to costs and profits, but *unless the child is interested in beet growing* or in comparing its profits with those of other crops the impression is slight. The financial training involved is therefore not much greater than in purely formal arithmetic.

In another much used arithmetic nearly all the problems are taken from the industries and frequently they are arranged in related series. In one case there are nine problems regarding the roof of a barn, but the problems are all problems of cost according to material used, and are not made to bear on any practical question to be decided. In real life the chief problem would be, "What shall I use to cover my barn?" and the various subordinate problems would be to determine the amount needed and cost of various materials, such as shingles, rubber roofing, etc., in order that the main problem might be decided intelligently.

If text and teacher not only exercised care in having prices correctly given in the examples, but arranged the material so that the examples would be means to deciding what course of action to follow, and if the teacher so excited the imagination of the children that they really cared to find out what it

would be best to do, the financial training would be much better.

Of more than a hundred normal students who were asked regarding the real financial training they received from the study of arithmetic, only a few had studied under a teacher who gave attention to the prices mentioned in concrete problems and corrected them if they were not reasonable in that locality. Few of the students had noticed the prices or learned anything about real financial transactions in their study of arithmetic. Nearly all, however, thought that the drill in fundamental operations had been of value when they came to work actual business problems.

Interest in Solutions Needed.—In order to be genuinely practical the child must do more than solve problems that are like those he may meet at some time in the future. He must solve problems that he really *wants* to have solved now. The more the arithmetical work is a means to finding solutions that he really wishes to obtain the more practical it will be. The idea, then, is to take advantage of all desires for results that can be reached by arithmetical means and to arouse desires that arithmetical knowledge will satisfy.

Since most arithmetical calculations in practical life are connected with financial transactions, there

is a close relation between the arithmetical training of children and their financial training. It is very much easier to get a child genuinely interested in arithmetical calculations if he has had varied financial experiences and thoroughly appreciates what so many cents or dollars one way or the other really mean in the way of effort or satisfaction of desire. Such a child not only has already heard a good deal about calculation, but he has an interest in the nature and results of financial transactions that serves as a good basis for intelligent and vigorous study of arithmetical processes and principles.

Typical Errors in Applications.—Problems directly concerned with what children have been doing are much better than imaginary problems, especially for older children, yet the teacher who gives such problems may be greatly disappointed by what the children hand in as solutions.

In an eighth grade the class made a soft custard for the lunch-room and without specific directions from the teacher attempted to figure out the total cost—the recipe, equivalent measures and prices being given them. About half of the class succeeded.

The best solution follows. Nearly all put down the right answer, but all sorts of mistakes were made and apparently the correct answer was, in many cases, copied from others.

November 24, 1913	Answer
Soft Custard Used 10 times recipe. Cost? Eggs .36 doz. Milk .08 qt. Sugar .06 lb. Vanilla for all, .02	
20 eggs @ .36 a doz.—1⅔doz. .36 1⅔ .24 .36 .60 for eggs	
20 cups milk=5 qts. @ .08 a qt. .08 .05 .40 for milk	
2½ cups sugar=1¼ lb. @ .06 a lb. .06 .015 .075=.08	
.40 .60 .08 .02 $1.10 Total Cost	$1.10 Cost.

In the same class, cocoa was made according to the recipe: one and one-half tablespoons of cocoa, two

tablespoons of sugar, two cups of boiling water, two cups of milk, all multiplied by thirty-four for the lunch-room. No one succeeded in solving all parts of the problem and labeling them correctly. The answers ranged from sixty-three cents to twelve dollars and ninety-five cents, no two getting the same results for items. Some used the formula, sixteen tablespoons equal one pound, but no one succeeded in correctly figuring the cost of the sugar. The best paper follows:

Cocoa .36 lb. Cost $1.72
Milk .08 qt.
Sugar .05 lb.
Made 34 times recipe. Cost?

.68 milk
68 tablespoons sugar
51 tablespoons cocoa

4/68
17 qts. milk

17
.08
$1.36 milk

16/68
4¼ cups sugar

.10
.26
$1.72

16/.36
.02¼
.13
$0.26 cocoa

4/51
12¾ oz. cocoa

With a recipe for tapioca cream, one-fourth cup of tapioca, two cups of milk, two eggs, one-third cup of sugar, multiplied by twenty-four, the results were similar, no two agreeing in all the items. The mistakes indicate that the concrete facts are not

closely associated with the symbols used in calculating. For example, in following the recipe one-fourth cup of tapioca multiplied by twenty-four is seen to mean six *cups* for the larger recipe. This is all that is necessary for cooking purposes. In calculating cost, eight *cents* (a pound) is the significant thing and the children at once combined this with the significant thing in cooking, i. e., the number of cups, and multiplied one by the other to get the cost. The previous cooking experience of the children and their experience in book work in arithmetic had prepared the pupils to select these two significant facts, but actual experience in calculating while cooking had not been sufficient to make them think of translating the unit cup, significant for cooking purposes, into the unit pound, significant for calculating purposes.

Most of the mistakes made are of this character, the children evidently not thinking with sufficient clearness of the concrete equivalents of the symbol language used in calculating. There were few errors in arithmetical processes except in decimal points. These also could have been avoided if the children had noticed whether or not the answers they obtained were reasonable. It is evident therefore that neither teacher has failed to teach the process that each is expected to teach, but it is

equally evident that as long as they confine themselves to their special work a third teacher is needed to connect the two processes of calculating and cooking in such a way as to serve the practical purposes of life. The other possibilities are, either to have one teacher teach both processes at the same time, or have two teachers, both of whom teach both processes together, one emphasizing one phase and the other the other.

In the school where the work described above was done the problems occurring in the practical arts work were often solved in the arithmetic class, otherwise the complete failures would probably have been more numerous.

In a sewing class the same children calculated the cost of garments they had made. The following are samples of their work. Some of the class, even after an hour's effort, needed help in solving these simple problems.

$0.10
2⅔ yds. Lonsdale cambric
3/20
6⅔
20
26⅔
3 for buttons
$0.30

PETTICOAT

2⅓ yds. of Lonsdale @ $0.10	$0.24
7/3×10/1=70/3=23⅓ or $0.24	.34
2⅔ Hamburg 12½c	$0.58
8/3×25/2=200/6=.33⅓ or $0.34	

CHEMISE

2⅓ Longcloth	$0.16	
	2⅓	
	3/16	
	5⅓	
	32	
	$0.37⅓	$0.37⅓ 2/6
3 Hamburg	$0.12½	
	3	
	2/3	
	1½	
	36	
	$0.37½	37½ 3/6
		$0.74⅚ or $0.75

Practise in Formulating Problems Needed.—These children spent a good deal of time on such problems, which were far easier than some they had often solved in their regular arithmetic work. They found them hard, however, because they had to take the concrete facts connected with sewing and formulate them into problems expressed in arithmetical language before they could get the required results. This was something that their regular arithmetic

instruction had given them little practise in doing. It will be noticed that the way in which the fractions are handled, especially in the petticoat problem, is that of the book rather than the shorter business method. In the chemise problem also, note that the significance of fractions is not estimated but the third and half cents are reduced to sixths and added.

The folly of strict adherence to fixed mathematical rules, without using common sense, is shown by the following incident. One of the girls from this school had a temporary position in a store, which she hoped might become permanent. She sold three kinds of ribbon to one customer, but the amount in each case was three-fourths of a yard and the price nineteen cents per yard. She did not combine the items, then calculate the amount, but tried to figure the cost of each piece of ribbon according to the rule for multiplying fractions. She took so long that the customer became impatient and another clerk helped her. She had been trained in arithmetical processes at the expense of practical judgment.

This is the case in many schools, hence it is not strange that a parent should report that in every case a younger child who had not been in school could work little practical problems better than the older who had, and that this younger child, after he had been in school a few years, could not work

them so well as before, nor so well as his younger sister. Teachers with the academic idea of training children in the exact science of mathematics have in reality made them more or less blind followers of rules, with no thought of exercising their own judgment in solving problems.

SUGGESTIONS

Courses of study in manual training are being replaced by "projects" on the ground that the interest and the incidental training in making something the child cares to make more than balance the ease of learning produced by passing step by step from easy to more difficult processes. There are similar reasons for learning arithmetic by solving concrete problems instead of studying it in an abstract way. If this plan were followed the children would not learn tables or processes as separate exercises, but would incidentally learn number combinations, and whenever the numbers in a problem were too large for easy mental calculation they would be shown how to perform the process more easily on paper.

Later, in the eighth grade or high school, arithmetic could be studied systematically as a science. The question is much the same as that regarding language, where one may either begin or end with grammar, or in reading, where one may learn letters, then words, or learn words, then the letters of which they are composed.

In the project or incidental plan of learning arithmetical processes it is hard to get systematic knowledge of arithmetic, while by the usual plan it is difficult to get practical knowledge. Both ends could be gained by having many problems worked at various times, as the solutions were needed in the process of construction, then, at certain times, calling attention to the common principle involved in several problems and showing how a given process can be used for other solutions.

CHAPTER XVII

ARITHMETIC WITH A MOTIVE

Practical and Vital Arithmetic.—The benefits derived from the study of arithmetic as a science are as great as those derived from the study of any other abstract science. All that present-day educational science will allow to be claimed for the disciplinary value of exact thinking may be well claimed for the old-time arithmetic when taught with thoroughness. A few pupils in each school obtained these benefits but the great majority of them got only various confused ideas and discouragement. The attempt to make the work practical by having many more problems like those in real life has probably decreased somewhat the disciplinary value of the subject to the few, without increasing very much the practical value to the many.

Only by associating arithmetical work with financial and other problems in which the child is personally interested can a full appreciation of the nature and value of arithmetic be produced. On the other hand, financial training is imperfect and in-

exact without a pretty good knowledge of arithmetical processes. If the child has had good financial training in the home, before and after entering school, a good foundation has been laid for work in arithmetic. The school, however, needs not only to build on this foundation but it must continue to associate arithmetic work with real life and with financial training. This is now being done in many ways.

Some of these are direct and natural and others more indirect and artificial. Not all the uses of arithmetic in real life are financial, but most of such uses are sooner or later of financial significance. Computation regarding pounds, bushels, gallons, acres, miles, etc., are of ultimate value chiefly in comparing or determining costs, or deciding what procedure is most or least profitable in various occupations and transactions.

Planning Garden Plots.—The difference between ordinary arithmetical work and that involved in affairs in which children are vitally interested was forcibly brought to the attention of one teacher when she had her pupils lay out a piece of ground for gardening. The amount of ground that could be used was limited and it was desired that each one should have as large a plot of his own to cultivate as possible. To determine the size of each plot after allowing for paths involved a good deal of careful

measuring and computing. The children all worked with unusual vigor and interest at the problems. One boy who had hitherto shown little interest or ability in arithmetic worked at these difficult problems with greater intensity, persistency and success than any of the others. When asked the cause of his change of attitude he replied that in the other work in arithmetic they put the work on paper, the teacher marked it and then it was thrown in the waste-basket and that was all there was to it, while these new problems meant something. "We are all going to have just as big a piece of ground as we can, to put in garden," he said.

After grounds are laid out for a garden, planning how much of each kind of seed will be needed, ordering the necessary amounts of seed and fertilizer and computing cost for each plot give knowledge of prices and ideas of business transactions, in association with the necessary arithmetical processes, in a way that adds to the child's financial training by giving him an appreciation of and an ability in practical calculation that can not be developed in years of systematic formal arithmetic.

Garden Accounts.—The following is a cash account of the school gardening operations carried on by the eighth grade of the training school at the State Normal at Hyannis, Massachusetts, as kept by one of the pupils.

EIGHTH GRADE GARDEN, CASH ACCOUNT

1913	Dr.
Sept. 19—Beans, Mr. G.	$0.15
Oct. 2—Checks, Normal	11.32
	$11.47
Oct. 27—By balance	6.86

1913	Cr.
Feb. 26—J. Breck & Sons	$0.02
Feb. 26—P. Henderson & Co	.02
Feb. 26—R. J. Farquhar	.02
Feb. 26—C. A. Drier	.02
Feb. 26—Potter-Fiske-Rawson Co	.02
Apr. 4—J. Breck & Sons	.02
Apr. 9—J. Breck & Sons	.01
Apr. 14—Express, seeds	.35
May 1—J. Breck & Sons	2.85
June 12—W. D. Baker	.50
June 12—M. G. Bradford	.35
June 19—W. D. Baker	.18
Oct. 2—Eldred, work in garden	.25
Oct. 27—To balance	6.86
	$11.47

Practical Judgment Needed.—How helpless children are likely to be without a good deal of practical training, is shown by the following experience of a teacher of nature study, who was preparing to fumigate a greenhouse. His pupils of the eighth grade had already worked some problems in connection with work in which they had been engaged, yet when he told them the amount of mate-

rial required for each hundred cubic feet of space and asked them to find how much would be needed to fumigate the greenhouse in which they were then standing, only half of them realized that they must first measure the greenhouse before they could solve the problem.

In cooking, sewing and other practical arts—in work of all kinds where the children are doing something of actual value to themselves individually or to the school—various calculations are necessary if the best results are to be secured in the shortest time and with least cost. It is not enough to have such work done to furnish examples for arithmetical work, or to ask them to figure the cost of materials as an extra task. There must be a motive for engaging in the work and calculations must appear as a necessary means to accomplishing it.

In the following example the arithmetical work in connection with cooking seems to be very good as arithmetic but does it result in practical training in the doing of what is necessary in the shortest way?

HEAVY WHITE SAUCE

Milk, 1 cup, @ $0.08 qt.=4 cups.....	$0.02
Butter, 2 tablespoons, @ .33 lb.=2 cups.....	.02062
Flour, 2 tablespoons, @ .29 lb.=4 cups.....	.00090
Salt ¼ teaspoon, @ .21 for 20 lb.....	.00002
Total for 12 girls.....	$0.04154

Is it necessary to calculate the cost of the small amount of salt used? Would any practical man take the time to do so? Do not the children feel that they are calculating only for practise?

Again, would not a practical man avoid the numerous small fractions by figuring the total cost for twelve girls and then, if he wished the cost for each, divide by twelve?

Exact Figuring for Practise Only Not Desirable.—The practise of making a little dab of pudding or a coat hanger and computing the cost of material and perhaps of time is largely a formal process that usually gives little practical financial and arithmetical training. The amounts are so small that the pupil cares little for the answer, which involves long operations with fractions. On the other hand, for a group of girls to plan the whole meal for a certain number of persons, or the menu for the school lunches for a week, in such a way that the best may be supplied at least cost, keeping the expense within a certain amount, gives the very best sort of practical training in finance and in arithmetical processes. In a similar way, girls and boys who are doing work for themselves or for the school may get the best of training by planning how to make a dress, a hammock, a bookcase, a fence or sidewalk, without the cost exceeding a certain

amount. To make such calculations effective as a means of financial training, children, singly and in groups, must be given some responsibility in the tasks undertaken and enjoy the credit of having done the work successfully, not only from the mechanical point of view but also as a business transaction. The solving of problems should be considered not as an exercise by itself, but as one of the things that must be done in order to accomplish a desired end. The school should honor faithful and efficient work in school affairs as similar work in the community and the state is honored, i. e., by some expression of appreciation rather than by a formal mark.

Responsibility for a Luncheon.—In the Newton, Massachusetts, school a luncheon was served to six and the cost figured as follows:

POTATO SOUP (1½ TIMES THE RULE)

5 potatoes	$0.05
1¼ quarts milk	.10
3 slices onion	.0025
3¾ tablespoons butter	.0416
3 tablespoons flour	.0012
2 teaspoons salt	.0002
Seasonings	.005
	$0.2005

CROUTONS FOR SIX GUESTS

⅛ loaf bread	$0.02

SPANISH CREAM

1 tablespoon granulated gelatine.....	$0.025
3 cups milk.....	.06
3 eggs	.06
½ cup sugar.....	.0127
1 teaspoon vanilla.....	.0104
¼ teaspoon salt.....	.0005
	$0.1686

CHEESE WAFERS

¼ pound cheese.....	$0.025
Crackers	.03
	$0.055

DRESSED LETTUCE

1 head lettuce.....	$0.08
French Dressing—	
Seasonings	.01
2 tablespoons vinegar.....	.0014
4 tablespoons olive oil.....	.0388
	$0.1302

MASHED POTATO

8 potatoes	$0.18
2 tablespoons butter.....	.0206
½ cup milk.....	.01
Seasonings	.005
	$0.1156

WHITE SAUCE

1 cup milk.....	$0.02
2 tablespoons flour.....	.0008
2 tablespoons butter.....	.0206
Seasonings	.005
	$0.0464

SPONGE CAKE

4 eggs	$0.10
1 cup sugar	.0255
½ cup potato flour	.0025
1 teaspoon baking powder	.01
Frosting	.047
	$0.185

WHITE MOUNTAIN FROSTING

⅓ cup water	
1 cup sugar	$0.0255
½ egg (white)	.0125
½ teaspoons vanilla	.005
	$0.043

COFFEE

1 cup coffee	$0.08
1 egg	.02
⅛ lb. lump sugar @ .08 lb.	.01
½ pt. cream @ .08	.11
	$0.19

LUNCHEON. NOVEMBER 13, 1913

$1.57

Menu	Total Cost
Potato soup	$0.20
Croutons	.02
Lamb chops (kidney), @ .30 lb.	.41
Mashed potatoes	.11
Creamed carrots (white sauce)	.05
Bread	.05
Butter, ¼ lb. @ .33 lb.	.08
Dressed lettuce	.11
Cheese wafers	.04
Spanish cream	.21

Sponge cake	.14
Coffee	.105
Frosting for cake	.143
	$1.573

This lunch was served to six persons

The cost of each article in the menu was recorded in detail on separate cards and the totals on another card. The pupils were probably instructed as to the forms to be used and the work was neatly done. Slight errors, apparently in copying, were, however, made.

Such problems, involving cost of materials actually used, must give valuable financial truths. In proportion as they feel responsibility for a correct answer, do the pupils solving them develop economic appreciation and business judgment in connection with the mathematical calculations.

Responsibility for School Repairs and Supplies.—When school authorities abandon the policy of providing buildings, furniture and apparatus and keeping them in complete repair, for the plan of having the children, under the guidance of skilled workmen and teachers, make a good deal of the furniture and apparatus and keep everything in repair, it will be possible to bring children, individually and in groups, to face actual problems of finance and figuring.

In a school where eighth-grade children were

serving lunch for the rest of the children they took part in making change and in making up the accounts of the lunch-room, as well as in preparing the lunch and figuring the cost of materials. The teacher, however, in order to make sure that everything was properly served and that there were no mistakes in making change, supervised it all pretty closely. This was perhaps well at first; but would it not have been possible, after some practise, to have thrown the responsibility on them and thus have given them the same stimulus to efficient work that is found in real life? Should they not also have been asked to compare costs with receipts, with a view to fixing future prices of the articles served at lunch?

When the time comes that children are engaged in making things of commercial value and each school has a certain apportionment to be used in supplying furniture and apparatus for that building, and in making improvements and repairs, it will be possible not only for pupils doing the work to get the financial training involved in such processes, but the commercial students may keep books and carry on real bookkeeping in connection with the school finances.

Expert Training in All Lines Not Needed.— To be entirely successful such work must not be carried on with the idea, so common in many schools,

that each pupil must learn just so much of every thing and all must attain equal efficiency. Instead, the actual conditions found in the community should be allowed to have their counterpart in school. A grocer knows something of dry goods and bookkeeping, of baking, carpentering and plumbing, but he has special knowledge only of the goods and the transactions of his own business. In a similar way each pupil should know something of the processes, materials and methods of keeping records connected with various jobs in which he has a part, but the pupils whose special business it is to make a cupboard for the cooking room need not be experts in cooking or in bookkeeping, but they should know enough of one to plan a practicable cupboard, and of the other to hand in a report of materials used that will enable the keeper of books to do his work properly.

Make-Believe and Real Business.—Various devices have been used with more or less success to make arithmetical processes and business transactions real to children, such as buying and selling with imitation money, carrying on imaginary bookkeeping, banking, etc. Many of them involve some sort of play or make-believe. With small children such devices may work quite well because they are often as much interested in playing at adult activities as in actually doing things. This interest is not, how-

ever, often strong enough to make them persist in working with care and exactness. They would rather, as in other imaginative play, go through the form of doing things but imagine all the difficult parts done, instead of troubling themselves to do them.

With older children the make-believe is not so attractive. They crave realities and are not satisfied for very long with sham transactions. The chief value for them, and one of the chief values for younger children in such work, is in learning something of the forms of business, which enables them better to picture the conditions of the problems given in business arithmetic.

In other cases the business transactions that serve as material for arithmetical calculations are real. Real bills, notes, receipts, etc., are brought into the schoolroom and the children make just such calculations as the clerk, bookkeeper or banker must make. This is one of the best ways of giving reality to arithmetical processes and a good preparation for going into business. The children may, however, not have a personal interest or responsibility in making such calculations. They know that those who are carrying on the business will not make any use of their figures.

If, however, the pupil has interspersed with make-believe problems and real business problems of other

people some individual and school problems that are real, and in which the results are of importance to the pupil or to the school of which he is a member, interest will be felt in problems that do not so directly concern him and he will get a broader financial and arithmetical training than he would get if he worked only the problems that arise in the financial affairs of himself and his school.

School Problems.—Some of the same results are obtained by studying the business of some one in the community and trying to solve his practical problems. In one school the children make a study of such occupations as those of milkman or bootblack, figuring out the actual or probable income, the expenses and the profits. They also try to solve practical problems such as: "Does it pay best to buy dresses ready-made or to buy material and make them, taking into account the time required to make them and the length of time they will last?" In at least one school nearly the whole of the arithmetic work is of this type and it is claimed the results are good.

Pupils Trained to Do Business.—In the Normal School at Fitchburg, Massachusetts, the children of the eighth grade of the Practical Arts School who are taking the commercial course get a good deal of practical economic training by assist-

ing the bookkeeper in auditing the bills of the institution and in writing its business letters.

The commercial department is conducted as a regular business institution and is practically the Normal School business office, where all of the checks are made out by the children, and supplies are accounted for and disbursed. The school accounts are kept here, car tickets are sold to the students of both the Normal and Practical Arts Schools, and most of the school typewriting is also done in this department. All of the Normal School checks, which are numerous and often for large amounts, are written here. One of the children recently had the experience of writing a check for over eight thousand dollars, as the final payment on the new school dormitory.

Practical experience in bookkeeping is provided by the school accounts and books, considerable business detail being involved in the management of the school, with its several model and practise schools, dormitories, etc., all of which is now conducted by the children under adult supervision. The school supplies are looked after efficiently by this department, records being kept of those on hand and those given out, and new orders placed by the children. In the sale of car tickets and in many other instances actual money is handled by the children.

Estimating the Cost of Work Being Done.—The pupils of the same school who are taking the practical arts course get many of the problems in arithmetic from the various jobs that they do. The following are some of the problems formulated by young men taking the practical arts course for teachers, and solved by pupils of the eighth grade in the practical arts school. The problems mean something because the pupils have all had a part in the work with which they deal. To get the full benefit of this kind of work the children should have a part in formulating the principal problem of total cost, then the subordinate problems that must be solved in order to get the total. It would be well also to have estimates of cost compared later with actual accounts of time and material required.

PROBLEMS ON PAPER CABINET FOR NORMAL SCHOOL OFFICE

Statements. The cabinet consists of the following pieces:

(A) Top and bottom, each 24¾" x 16".

(B) Two sides, each 23½" x 16".

(C) Back, 23½" x 24¾".

All these pieces are ¾" thick.

(D) Three shelves, each 23½" x 16" x ½".

Oak is $66.00 per M. board feet.

Problem. What will be the cost for the lumber in this cabinet?

Statements. A journeyman carpenter takes 2½ hours to do the machine work, and 1½ hours to put the case together and sandpaper it.

Problem. What will be the cost of labor on this cabinet at $.40 an hour?

Statements. It takes—

(J) 1 lb. of filler with stain @ $.20 a lb.

(K) 1 pt. of shellac @ $2.40 a gal.

(L) 1 qt. of varnish @ $3.00 a gal.

Problem. What will be the cost of material to finish this cabinet:

Statements. It takes—

(M) A journeyman painter 1½ hours to fill, stain and rub the cabinet.

(N) ½ hr. to put on and rub one coat of shellac.

(O) 1 hr. to put on two coats of varnish.

Problem. What will be the cost of labor in finishing the cabinet @ $.40 an hour?

Statements.

(P) The work of one journeyman is equal to the work of 2 young men and to the work of 12 eighth-grade boys.

Problem. How long will it take 1 young man and 1 boy to construct this cabinet? How long to finish it?

$\frac{167\times16}{144}=\frac{23.5\times24.75}{144}=22.594=$Bd. ft. of lumber.

$22.594\times66=\frac{1.4912}{1000}$ exact cost for lumber.

$1.4912\times6/5=\$1.79=$probable cost, allowing 1/5 extra for buying and waste.

$4\times\$.40=\$1.60$, cost of constructing.

1 lb. of filler.....	$0.20
1 pt. of shellac....	.30
1 qt. of varnish....	.75
	$1.25=cost for finishing material.

Statement.

It takes a carpenter 4 hrs. to do his work.

It takes a young man 8 hours to do his work.

It takes a boy 48 hours to do his work.

The young man can do ⅛ in 1 hr.

The boy can do 1/48.

They can do together 7/48 in 1 hr.

48÷7=6 6/7 hrs.=time for young man and boy to construct cabinet.

It takes a painter 3 hrs. to do work.

It takes a young man 6 hrs. to do work.

It takes a boy 36 hrs. to do work.

The young man can do 1/6 in 1 hr.

The boy can do 1/36 in 1 hr.

They can do together 7/36 in 1 hr.

36÷7=5 1/7 hrs. time for young man and boy to finish work.

CONCRETE WALK

Extends from Highland Avenue to the subway connecting the Normal School and the Edgerly School.

EXCAVATION

1. All excavations are carried to a depth of 18".

2. All excavations are carried to the width of the drive plus the space on each side of the drive which is occupied by the forms.

3. The building of the forms necessitates excavatng 6" beyond the edges of the walk.

LABOR

1. On account of the ground in this case, five men can excavate 20 cu. yd. of dirt per 8-hour day.

2. All excavating and filling is done by these laborers, who are each paid $2.00 per 8-hour day, except one man, who acts as foreman, and receives $2.50.

3. Base is made of cinders and cobbles. It is 13″ in depth.

4. Laborers will fill in base as fast as they excavate the ground.

5. Two carpenters can build 100 linear ft. of forms for the walk per 8-hour day. They are each paid $3.50 per day.

Questions

1. What will be the cost for labor in excavating 435 sq. yd. of ground to a depth of 18″?

2. What will be the cost of labor in filling 435 sq. yd. of base 13″ in depth?

3. What will be the cost for labor in building wooden forms on both sides of 257 linear ft. of walks?

Statement

The layer above the base, called grout, is 4″ in depth, and consists of 1 part cement, 3 parts sand and 5 parts cobbles. The upper surface is 1″ in depth and consists of 1 part cement, 1 part sand and 1 part granite chips.

LABOR

Five laborers mix and fill 10 cu. yd. of grout as quickly as they excavate 20 cu. yd. of ground. Five laborers can mix and fill 50 sq. yds. of wearing surface per 8-hour day. One of these men, a mason, is paid $4.80 per 8-hour day.

Problems

1. What will be the cost for labor in mixing and filling 435 sq. yd. of grout, 4″ in depth?

2. What will be the cost for labor in mixing and filling 435 sq. yd. of wearing surface, 1″ in depth?

$435 \times \frac{1}{2}$=no. of cu. yd.
217.5 cu. yd. ÷20 cu. yd.=$10\frac{7}{8}$=no. of da.
$\$10.50 \times 19\frac{7}{8}$=$114.1875=exact cost.
$\$10.50 \times 11$=$115.50=probable cost.

435×13/36=157 1/12=no. cu. yd.
157 1/12 cu. yd.÷20 cu. yd.=7 41/48=no. of da.
$10.50×7 41/48=$82.46875=exact cost.
$10.50×8=$84.00=probable cost.

514 linear ft. of forms to be made.
514 linear ft.÷100 linear ft.=5.14=no. of da.
$7.00×5.14=$35.98=exact cost.
$7.00×5.5=$38.50=probable cost.

435×1/9=48⅓=no. cu. yd. of grout	4—$2.00	4.8⅓	=days to lay grout
	1—$4.80	8.7	=days to lay top surface
	$12.80	13.5⅓	=total no. days

$12.80×13.5⅓=$173.2666=exact cost.
5 men 13.5 days=$172.80.
Boys and 1 man ½ day=$3.40.
$172.80+$3.40=$176.20=probable cost.

5 men 13 days=$166.40.
Extra man ½ day and 5 regular men ½ day=7.40.
$166.40 plus 7.40=$173.80=probable cost.

Community Accounting in School.—A plan which has been begun and is likely to be extended is that of interesting children in the financial affairs of the home and the community and letting them become more or less responsible for keeping records and making calculations. In rural communities boys may keep the farm crop accounts and the girls the home accounts under the supervision of the teacher. In cities some of the home and business calculations may be performed by the children under the direc-

tion of the teacher, of course not bringing in anything that is essentially private.

In both rural and city communities children may keep some or all of the public accounts with the help of the teacher. In one town all the school accounts are kept by the pupils. In another all of the town accounts are kept by the children. They also take part in planning the budgets, figuring, assessments, etc., for the next year. Nothing can be of more practical value in arithmetical, financial and social training than such work as this. In Gary the pupils run a cooperative store where school supplies are purchased.

Superintendent Edgerly, of Fitchburg, in the following statement sent out to his schools, gives illustrations of what may be done to associate real financial training with arithmetical work.

February, 1913.

It is expected that the city of Fitchburg will appropriate for the school department this year amounts as follows:

Item 1.	Salaries of Teachers in Day Schools and Superintendent	$104,000.00
Item 2.	Salaries of Evening School Teachers....	2,580.00
Item 3.	Transportation of Pupils.....	1,720.00
Item 4.	Free Text-Books and Supplies.....	6,100.00
Item 5.	Incidentals	9,300.00

In case these sums shall be appropriated, what per cent. of the entire sum will be appropriated for item 1?

What per cent. for item 2?
What per cent. for item 3?
What per cent. for item 4?
What per cent. for item 5?

There are in all the schools four thousand three hundred and thirty-one pupils. How much will be appropriated for each pupil? Thirteen years is the time allowed for completing the entire course. In case each one of these pupils should attend school the entire time and the amount appropriated each year for each pupil should be the same amount that is appropriated this year, how much will the city expend for the education of each pupil?

Name of Pupil.....
Name of School.....
Grade .....
Date .....

SUGGESTIONS

The following questions may well be considered by individuals and clubs interested in better financial training of school children.

What work in arithmetic in your schools is helping children to a real knowledge of financial affairs and what is not?

How may the children not only be interested in the work but feel responsible that the results shall be correct?

Will children continue to be interested in working even vitally important problems if they are unsuccessful?

What means may be used to keep up their courage and interest in the case of difficult problems?

If a practical problem involves a process not yet learned, would it be well, when the numbers are such as to make it difficult, to use a simpler problem to teach that process?

CHAPTER XVIII

INCIDENTAL AND INTENTIONAL FINANCIAL TRAINING IN SCHOOL AFFAIRS

Free Supplies May Encourage Waste.—In most public schools where there is no tuition, and books, paper, pencils, etc., are supplied free, the children think very little about the cost of anything that they use. Teachers sometimes try to give financial training by urging them to economize in the use of supplies. Such experiences as the following are reported by normal students:

"We were continually told to be saving of the paper and pencils that were given us and to be careful of the text-books and other school property. I well remember the day when we were first given individual blocks of paper. Each of us felt so proud. Soon many of us were using paper in enormous quantities, writing a word or two on one sheet, then destroying it and using another in like manner. Our teacher was disgusted with us. The day came when she gave us a grand lecture, telling us that every sheet we wasted cost the town so much. From this

she went on to say that as the town expenses increased, so did the taxes. This has always remained with me and I class it among the instances in my life which have given me financial training."

"In the primary grades I learned somewhat to know the value of money. Ever since I can remember, I've been told not to mark or tear books and not to waste paper. I've been told that books were valuable and must be used for many years. I remember one teacher saying, 'Never throw away a piece of paper while there is a bit of blank space on it.' Of course, like most children, I considered this foolish, but after seeing how much good paper was thrown away each day I began to realize how wasteful and extravagant some people were. They used four or five times as much paper as they needed, thereby spending or causing to be spent four or five times as much as was necessary."

"The greater part of my schooling was gained in a small country town where books, pencils, paper, etc., were furnished us. We were cautioned in regard to marking the books or soiling them; the paper was given to us in small quantities when we needed it. Our pencil generally was to last us one term, and thus the teacher, to some extent, instilled into our minds the value of these materials and the cost of them to the town. Still, I noticed that the books were disfigured, the paper often needlessly

wasted and pencils lost, and I never realized very greatly until about twelve the real saving that could be made. At this age, from September to the middle of November, I went to school in Tuxedo, New York. Even for so short a time I was obliged to buy all the books I was to use, together with every pencil and piece of paper. Then it was I began to know the advantages of my country school life and the cost of the articles we used."

Each School Might Be Responsible for Its Supplies.—It is evident that although sometimes lasting effects may be produced by a teacher's words and acts with regard to supplies, yet without definite figuring and personal experience of cost on the part of pupils her teaching is not likely to be permanently effective.

Indeed it may be claimed that furnishing free school supplies is unfavorable to giving real financial training, because the children do not themselves feel the results of wastefulness. It would be possible, however, to get the advantages of free supplies and at the same time get good financial training both individual and social. If each school were allowed so much for supplies each year, with the privilege of using any money saved from this sum for buying pictures, library books, play apparatus or other things of value to the school, there would be an excellent chance for the teacher and pupils to do

real financiering. Accounts could be kept of all supplies received and used during each term, by the school and perhaps by each pupil. The children could then figure out the amount and cost of the various articles used and perhaps the amounts used individually. They could also plan how to economize and how to spend what they saved.

The allowance to the school might include money for repairs, and the children could, in some cases, buy the materials and do the work themselves, thus saving money and at the same time getting the best possible financial and industrial training. The following testimonies are of interest in this connection:

"In the first and second grades, every Christmas, my teacher planned a celebration. Each child bought one present for some one else, and we were limited as to the amount which we could spend. This, I think, was a beginning which helped to train my mind in the use of money. I had the experience of seeing how far I could make my money go and in choosing the best thing I could buy for that sum. Further on, in higher grades, we used to bring money for flowers for sick classmates. This experience was of value in that it taught me that if every one helps in a financial work by giving a little success can be attained."

"All through our high-school life our class had

financially but one object in view. That was to make money with which to go to Washington. We sold popcorn and lemonade at baseball games. We gave plays, suppers and fairs. We collected old papers, had a lunch counter at school and worked our brains over many a money-making scheme. Besides earning money we were unconsciously acquiring something that would do us far more good. We were acquiring the ability to make money and were learning to plan ways of our own to that end. We were learning its value also, and what a hard thing it is to get."

"In the lower grades I had little training in a financial way. Money was collected once or twice a year for presents or charity, but not until the seventh grade did we have a class treasury. Our teacher tried to get us greatly interested in our class affairs. One day we all brought rubbers and with the money obtained from the junkman we increased our fund to the great sum of four dollars. Then again we hired a team and collected all the newspapers we could beg. We sold them to the same junkman and added sixty cents to our hoard. When I entered the high school I obtained further training by being appointed class collector for the athletic association. At times this was a great trial and I certainly found out how hard it is to part some people from their money. My greatest training was

in the senior year when we held our dances and rejoiced at the end of the year to hear that we had made one hundred dollars on our paper."

"In high school, as a member of the school council, I had the handling of money from the sale of tickets for our entertainments, lectures, games and athletics. Then at the meetings held by the editors of our school paper we discussed many topics dealing with money, such as the cost of getting out the paper, the amount to be charged for advertising space and the price per copy, in order to put it on a paying basis. Junior and senior year there was the collecting of class dues, expenditures for class-day demonstrations and a general clearing up of class bills. Lastly, as a member of our class book committee, I obtained a definite idea of just how much it costs to publish such a book, for the printing, engraving, binding and many little things increase the expense."

"During our senior year the book supply room was under the charge of a student for a large part of the time. The student in charge sold supplies to the other students. Tickets for all entertainments or lectures at the school were sold by students."

Opportunities for Financial Training Becoming Greater.—It is evident from the examples given that there are many opportunities in every school for real financial training and for good prac-

tise in arithmetical processes in working problems where the amounts are of specific significance to the children. Teachers have been taking advantage of these opportunities to a limited extent. With the present increase of practical work in the school and of cooperative social action on the part of classes, societies and schools, there will be many ways for live teachers to give effective financial training and at the same time to succeed at last in making arithmetic practical.

The following statement, from Principal Currier of the training school of the Hyannis Normal School, Massachusetts, describes some of these ways:

"In the garden work the children keep an account with the garden and themselves, in which they learn how to enter items of expense and receipts, and how to balance the same. In the sale of vegetables from the garden arises the question of the advantage of sales to the consumer directly, such as the Normal School, and to the middleman or the local storekeeper.

"In the club the members pay dues of five cents every two weeks, and if not paid on time they are fined one cent per week until they are paid. Their attention is called to the fact that possibly this is comparable to the interest charges on taxes when taxes are not paid at a certain time.

"For a few years past the boys in the manual training room have put into the club treasury a certain per cent. of their money earned in their work there. Some of the children earned more than others and so paid into the treasury of the club larger amounts than others. We tried to tie this up to the study of taxes.

"On inquiry I find that a number of the children have bank accounts which they started at the suggestion of a parent or some other relative. A few keep a sort of cash account, and while begun before their study of such a subject in the school, yet the school discussion has helped them to a little better and neater bookkeeping.

"When the postal savings bank was established at the local post-office, the subject of a bank account, the saving of money, etc., was discussed with the children, and an effort made to induce them to start an account. Four of the children of this year's eighth and ninth grades are pledged to start such an account."

From Louisville, Kentucky, in reply to questions, comes the following account of the financial training in one school.

"Children are encouraged to bring proper lunches from home. Since we have not a lunch-room, there being no place for it at present, bringing pennies to school is forbidden in the primary grades.

"Children are healthier and the attendance is improved thereby.

"California privet and English ivy, raised in a small cold frame three feet square, were sold. Vegetables and flower seeds, raised in the school and home gardens, were also sold. This money was used for garden tools.

"Our City Beautiful Club, comprised of children of grades two-six, contributes five cents per month per family. This is not compulsory, however. Two pictures were bought by the club for the school, *The Harvest Field* ($4.50) and *The Birch Trees* ($7.25).

"Each fall bulbs are distributed among its members and among those residents who live in the immediate neighborhood of the school, also five hundred bulbs for the school garden.

"Sixty yards of calico were sent to a mountain school in Kentucky to be made up into children's bonnets, aprons and dresses. These were sold to the parents of the school at one of their bazaars to help defray the expense of a fence surrounding the school, thus enabling them to plant vines, flowers and trees and otherwise beautify the premises."

Superintendent Mills of Ogden City schools, Utah, reports as follows:

"We are making a systematic effort to have boys work either at home or elsewhere for money. Fur-

ther to aid in this effort, one unit of credit is given on the school cards for 'home industry.' We preach the doctrine that a parent who does not train a son or daughter to work and save is robbing the community of a good citizen and bequeathing a nuisance."

Some schools have a better chance for giving incidental and direct financial training than others. In all vocational and trade schools, either half or whole time, and in continuation schools, there are good chances for directly correlating the work done with real financial problems and the methods of figuring and accounting associated with them. In the Fitchburg high school the commercial students keep the accounts of the stamp savings in the schools.

In Los Angeles all the financial affairs of the high-school community are in the hands of the pupils, supervised by members of the faculty. They not only attend to the finances of the class and athletic and other affairs, but they raise money for school purposes, such as a printing press or an athletic field, by forming a stock company and selling stock. The profits, if there are any, go into the general school fund.

Financiering in Institutions.—In such an institution as the "George Junior Republic" the financial training is, in the nature of the institution, inevitable. All members must work for money to

pay for their board and to buy clothing or other things that they need or wish. The motives for proper management of their own affairs are the same as will influence them when they are adults. It is interesting to note the fact that although many of the early residents of the "Republic" were used to getting all they could out of charity workers, yet when the "Republic" was established, nearly all became self-supporting. The few who allowed themselves to become a public expense were so unpopular that they soon began earning their own food and clothing. Without this financial feature of the institution a self-governing reform school, such as this, would be utterly impossible. The plan might be extended to orphan asylums and other institutions, but not so effectively to those where the inmates spend only a part of the day at the institutions.

Accounts of School Organizations.—There can be no doubt that many officers of student organizations handle a large amount of money in a very unbusinesslike way. Not only do mistakes and dissatisfaction sometimes result, but a splendid opportunity to teach officers of such societies and, to a less extent, all members, proper business methods, is often missed.*

*A good account of the instruction given students in one institution that is awake to the importance of the matter will be found in *The School Review* for January, 1911, pp. 25-33.

SUGGESTIONS

The following questions are worth considering: Is there anything in your home school to interest children in the care of school or town property? What more could be done? Is there any supervision of the accounts of athletic, class and other organizations in your schools? Should there be? Why? Would it be feasible to use the economic feature of the "George Junior Republic" in a prison or reformatory? Should children in the grades, as well as in the high school, pay for defaced books or furniture or broken apparatus?

CHAPTER XIX

HOME AND COMMUNITY LIFE IN FINANCIAL TRAINING

Personal Experience Not Enough.—The experiences of children form the real basis for financial training. Only by earning and spending money can one appreciate the real significance of money as a measure of effort put forth, and of possible satisfaction. In the case of children, however, such experience is narrow. Most children have had the experience of earning money in only a few ways and have had occasion to spend money for only a few of the many things that it will buy. In order to know the place of money in the society of which he is to become a responsible adult member he must be led to profit by the experience of others.

Instruction by Precepts and Stories.—Various maxims, such as "A penny saved is a penny earned," are used with more or less effect upon younger children, while older ones gain something from the study of bookkeeping, commercial law and econom-

ics. Such teaching, when abstract in character, has little effect on the lives of children and young people. In the case of smaller children much greater effects may be produced by vivid interesting stories of the experiences of other children in earning and spending money. The advantages of thrift may thus be impressed on them. With children a little older true stories of the lives of men of finance, such as are found in the books of Samuel Smiles and in Thayer's *Ethics of Success,* may be used with good results. Children should be told not only regarding the ways in which business is successfully conducted, but may also derive many excellent and impressive moral lessons.

Apply Business Methods to the Child's Affairs. —Children may be asked to write papers on *How I Get Money and What I Do With It,* and may express orally or in writing their ideas as to the best ways of getting and spending money. They may also be asked to estimate as nearly as they can how much money they have had during the year, and recall for what things they have spent most of it. They may then be told something of how firms and officials of town, state and nation make out budgets of needed expenditure. They may then be asked to make out a budget for children of their own age and financial situation. They should figure what an allowance of twenty-five or fifty cents a week will

amount to in a year. The boys and girls should then make out separate budgets showing how that amount of money could be spent to the best advantage by a boy and by a girl. These budgets should be compared with each other until each pupil has taken account of everything for which he expects to spend money.

They may make estimates on a weekly or monthly basis, with allowance for extras, and should figure to see that the total comes out right. The same general headings may be used by all, but the items under each will differ greatly. There may be some interesting discussions as to whether it is best to spend money in one way or another, but it should be recognized that some persons can get more satisfaction in one way, while others prefer different things.

Probably all the children will see reasons for saving, at least temporarily, for special occasions and for costly things. Nearly all will agree that a portion of their money should also be saved for unknown contingencies and for the future. The pupils should discuss these matters and in making up a budget allow so much for emergencies and for permanent savings. In this connection they may discuss the various modes of keeping money that may be used in their community, such as toy banks, savings banks or cooperative banks (called building and loan associations in some places).

They should also be shown how to keep their personal accounts and compare them with the budgets that they have made out. By such practise they will be able to plan for the better management of their affairs.

Family Budgets May Be Studied.—It is a good thing to have children make out an estimate of various family expenses, such as rent, light, fuel, telephone service, food, clothing, etc., then check up their estimates by inquiries and computation of the actual cost. They may also consider whether it is more profitable to buy ready-made articles of clothing or to buy the goods and make them, counting time required and the relative wearing qualities of home-made and ready-made clothing. Studies may be made of the relative cost of periodicals bought by the copy or by the year, of bread and cake made at home and bought at the bakery, etc.

Investments Should Also Be Considered.—Problems like this may be considered. A man in the neighborhood has an income of perhaps two hundred dollars a year in excess of the amount necessary for his expenses, including benevolences and a few pleasures. What shall he do with it? After suggestions have been received the conclusion will probably be reached that some of it at least should be saved. How much, if any, shall be put into life insurance and how much laid up or invested in some

way? The difference between straight life and endowment policies should be explained, and comparison should be made as to the returns from an endowment policy and the interest gained by putting money in a savings bank or a cooperative bank.

Other problems of the family may be studied. Is it best to buy a house or pay rent? The children may gather data, compute and discuss the advantages and disadvantages of renting and owning.

Again it may be supposed that some one in the community who is not able to earn money has been left, say, ten thousand dollars. How shall it be invested so as to furnish an income on which to live? Savings banks, mortgages, stocks, bonds and the purchase of an annuity may be considered. It should be emphasized that a large income on an investment usually means less safety and that through variety of investment there is a better chance to get a good income without the probability of losing any large portion of the principal.

These problems will give good financial training in proportion as the children regard them as real problems of the family and of the life around them.

The Study of the Business of the Community.—Children may profit by the experience of the people of their community as well as by their own affairs and those of their family. Typical industries in the community should be studied and typical prob-

lems that come up in carrying them on should be solved as they are in the business. In a community with varied industries this will give a sufficiently broad financial training. Where the industries are very few the children should make a thorough study of several other industries in connection with geography, then figure on some of the financial problems that have to be solved in those industries.

The idea of finding the problems for seventh- and eighth-grade pupils in the industries of the home community has been very intelligently worked out in the course of study of the Indianapolis schools. The children, after learning about the industries, solve such problems as the following:

"A man earns $1.75 per day. He pays $1.50 a week for rent, $1.00 for fuel and $1.00 for incidental expenses. Make a list of groceries which his wife could afford to order during the week for a family of four. She should be able to save a small amount each week for clothing. The pupil should consult his mother before making his list."

"Make out a bill for the following order of goods, using prevailing market prices: 1½ lbs. pork chops; 1 lb. breakfast bacon; 2 lbs. coffee at $0.30; granulated sugar, $0.25; ¼ lb. tea at $0.60; 1 lb. crackers; ½ pt. oysters; ½ pk. string beans; 3 stalks celery; 1 doz. eggs; 1 lb. butter (creamery); 1 lb. peaches."

"A housekeeper having canned a bushel of peaches wants to know the cost per can. Find it if a bushel of peaches, 9 lbs. of sugar, 100 cu. ft. of gas and 15 Mason jars were used."

"Find the cost of candy made according to the following recipes and compare the cost with the usual selling price of similar candy: Peanut Brittle—1 pt. of shelled roasted peanuts;

2 lbs. of granulated sugar. Stir the sugar slowly in a clean frying pan over a slow fire until it melts and turns a light brown color. Then quickly stir in the peanuts and pour the mixture out on a buttered pan so that it may spread out thinly. Molasses Candy—3 cups of light brown sugar; 1 cup of molasses; ½ teaspoon cream of tartar; small piece of butter. Estimate the last two ingredients at $0.02. Boil until brittle. Then pour out on a buttered plate, and after it is cool, pull it."

"Read your electric meter for two successive months and calculate the bill at $0.10 per K. W. hour."

"Louise started a savings account at ten years of age by saving each week five cents of her spending money. She continued this plan for eight years. How much did she save during that time?"

"A man who had been paying $25 a month for rent bought a house for $3000. The taxes on the place were $50; the cost of repairs, $25 a year; the cost of insurance, $7.50, and the interest on his money $180 per year. How much did he save a year by owning his own home?"

"George Adams purchased a corner lot for $1,200. He was assessed $300 for street and sidewalk improvements by the city, and was taxed $18 a year for the lot. Two years after buying he sold the lot for $1,900. What was his per cent. of profit on the total investment?"

"If the output of a bakery is 150,000 loaves a week and $3,600 is spent for flour, $750 for other material, and $400 for labor, what is the average cost of production per loaf?"

"What is the baker's per cent. of profit on each loaf, if he sells all at four cents a loaf?"

"If the price of flour advances from $5.50 to $7.50 a barrel for what should a loaf of bread which previously sold for 5 cents be sold to correspond with this rise in the price of the flour?"

"If a quart of milk which contains as much nutriment as 13 oz. of sirloin steak, worth $0.24 a lb., is sold according to food value, what is milk worth?"

"10.5 bushels of corn and 10.5 bushels of oats ground together and one ton of clover hay should feed a cow well for 80 days. At the present market prices, what will it cost to feed a cow a year (365 days)? Will it be cheaper to feed the cow on this ration throughout the year, or to feed it for 215 days and to pasture it for the rest of the year at $1.75 per month?"

"In this city on a certain day there were 327 firemen, including 96 officers. What was the weekly salary at an average of $2.75 a day?"

"What per cent. is gained by buying 6 pounds of buckwheat flour for $0.25 instead of buying it at $0.05 straight?"

"In 1910 there were 3,520 patients at the hospital. The total expenses for the year were $93,594.57. What was the per capita expense?"

"From tax receipt for 1910: Rate, $2.17; valuation of property, $5,860; mortgage exemption, $500. Find amount to be paid on first instalment. Include poll tax."

"The following number of books were loaned at the library on ten consecutive summer days: 169, 212, 110, 187, 126, 140, 127, 269, 141, 71. What is the average daily circulation in the summer?"

"The average pay of trainmen, per 100 miles, is as follows: Conductor, $3.90; engineer, $4.40; baggageman, $2.80; brakeman, $2.50. Find the earnings of each in making the trip to Chicago, 184 miles."

"Find the cost of sending 620 pounds of goods from Buffalo to Indianapolis at $0.45 per 100 pounds."

"Mr. Jones has $34,200 to invest. He invests this in Belt Railway stock at 114. How many shares did he buy?"

"If he should receive a semi-annual dividend of 6%, what is his annual income therefrom?"

CHAPTER XX

HOW UNCLE SAM IS GIVING HIS BOYS AND GIRLS FINANCIAL TRAINING

Corn Clubs Give a Good Kind of Financial Training.—Doctor Seaman A. Knapp tried to improve agricultural conditions in the South through the boys and girls. In so doing he started the most effective financial training that is being carried on anywhere in this country. To demonstrate this fully we must refer again to the part that money plays in life, and must describe what is being done in boys' and girls' clubs under the direction of the agricultural department of the nation.

Relation of Financial and Social Progress.—In the ultimate analysis the chief source of wealth is human effort, and all wealth is used to satisfy human desire. Money is a means of measuring wealth and of transmuting one form of wealth into another. It pays for effort and buys satisfaction. Increase in the production of wealth in any community makes possible all the enlightening and refining in-

fluences which better the conditions of life. A fertile soil makes possible a liberal expenditure for education. This education not only makes labor more efficient, but enables the people to maintain and increase soil fertility. This in turn makes possible a higher civilization, better training and more of the refinements of life.

The General Education Board, which sent agents to the South to find how aid could best be given to the schools, decided that the only permanently effective means was to take steps toward improving agriculture. This the Board and the Department of Agriculture have been doing, largely by means of agents who arrange for demonstration farms in as many communities as possible. Railway companies and commercial bodies have also helped to improve agriculture by cooperating and by offering prizes.

How Boys' Clubs Help Boys Morally.—The boys' clubs, started by Doctor Knapp, help not only to improve the farming in the community, but, as we shall see, they also produce important changes in the boys themselves, and this is, of course, a means to further advancement. The moral effects of corn clubs are clearly indicated by the following answers to questions. These extracts are from a letter of State Agent J. R. Fewell, Tennessee:

"I do not know of any boy who is or has been a member of the corn club work in Tennessee who

has committed any offense against the laws of the state.

"The corn club work gives the boy something to think of and something to do. Too often country boys have no ambition, no incentive, nothing to think about and nothing to do in leisure hours but to sit on the fence, whistle, whittle or smoke. Of course a boy in this condition is apt to get into mischief. The club work is more interesting than his studies and he often enters into it with great enthusiasm.

"Not long ago I was at Kingston, Tennessee, and a gentleman came to me and said, 'This corn club work has worked a miracle in my boy. I had never seen him sit down voluntarily to study or read; we always had to force him, but when you sent him those bulletins and letters he sat right down and read every word and began to tell his grandmother about what he had read. I questioned him about the bulletins, and he understood them as well as I, and was more familiar with the details.'

"Last spring I visited a community to organize a corn club. I invited all of the boys to come into the building, so that we could take up the organization. While the teacher was making his introductory speech I looked through the window and saw a boy sitting on the fence, smoking. I thought that perhaps others were near and that I would go out

and give them a personal invitation to attend the meeting. As I approached the boy he threw down his cigarette and ran, hiding, and finally when I found him he was crouched behind some rocks with a rock in each hand, and he cried, 'Go on away and let me alone, I ain't bothering anybody, and this ain't the school land.' After I explained my purpose and the corn club work, he replied, 'Well, I would like to join, but me and them teachers can't get along. They sent me away and told me that if I ever came back on the school land that they would have me arrested.' By that time the teacher interrupted us and stated that the boy had some trouble with a former teacher, but that he had no ill will against him, and that he would be glad to have him return and enter the club. The boy reluctantly consented, and to encourage him the teacher proposed that the club elect him as president. The last time that I heard from this boy he was not only successful in his club work, but was leading in some of his studies."

Other state agents of these clubs were questioned as to the moral effects of the club work. Not one of them knew of a boys' club member who had ever been arrested while a member or subsequently to membership. The following are some of the opinions as to the moral effects of the club work.

The following is an extract from a letter written by the state agent of Alabama:

"In regard to the bearing of this work on the morals of the boys I should like to say that I regard it as most excellent. I think that you will fully appreciate this when I tell you that the work has been praised and universally approved by the clergy. A number of the leading ministers of Alabama have said to me, 'You people are doing the greatest piece of work for the moral, economic and social uplift of our people of anybody.' "

Extract from letter written by state agent of Mississippi:

"Many boys have been influenced to go to school, attend regularly and to take an enthusiastic part in the agricultural classes. Rural teachers have used the corn club as an entering wedge to get closer in touch with their patrons, that they might be able to do more for them. Through the corn club agricultural teaching has been made more effective. The corn club has helped in a great way to win the general public for better homes and better living and it is preparing a generation of men that will respect the results of scientific investigation and will put them into practise. Also, it is preparing a generation of farmers that will be businesslike in their business transactions. The corn club is inspiring

and will inspire thousands of boys to go to college; we had fifty-two in A. and M. last year. The corn club is breaking down the prejudices of farmers against business men or those of more fortunate business careers, and is creating a spirit of tolerance and brotherly love."

Extract from letter written by state agent of Texas:

"The work has had a tendency to create among the boys a desire for an education, and especially along industrial lines, such as agriculture. Any increased desire for an education naturally increases the boy's efficiency in the schoolroom. In 1912 the County School Superintendent of Comanche County kept accurate data of the general average of grades made in school by club members and by other pupils. He found that club members made twelve per cent. higher grades than the others. The work has directed attention to industrial and agricultural college training. At present there are several ex-members of the corn club attending the A. and M. College of Texas and other educational institutions. They speak with pride of the fact that they were once corn club boys. The dignity and respect of farm life and labor has been increased by this work."

Extract from letter written by state agent from West Virginia:

"The club work in West Virginia has certainly

proved beneficial to the morals of the boys. At a meeting the other day I asked a group of seventy-five boys (some were country boys and some were city boys) what was the difference between the town and country boy. The unanimous opinion was that the country boy had something to occupy his mind all the time, other than learning bad language and loafing and many other of the very tempting habits that city boys are subject to. I believe that one of the great benefits to be derived from the corn club work in this state is the development of a class of men on our farms who will have character intensified by triumph in their work. They have learned how to increase their working power, how to become more efficient, and consequently more productive members of society, thus being potent factors of better citizenship in our state."

Why the Clubs Succeeded.—One of the chief reasons why the effects of these clubs have been so great is to be found in the homes of the children. Previous to their establishment very few of the children had ever had any money or property of their own. Since ownership and the power that it gives are the most potent stimuli to effort, it is not strange that rural boys and girls, without such ownership, had previously shown little ambition. The membership of a corn club consists of boys between ten and eighteen, and the primary condition

of joining is that they have a piece of land to cultivate, from which they can sell the product. The desire for this was at first, and still is to some extent, stimulated by prizes, while success is made possible by instructions as to how to farm, market crops and keep accounts. As the work has progressed the large prizes of cash or a trip to Washington for the few have been replaced by scholarships for further education and by badges of achievement for the many.

Profits Gained. — The artificial prize was needed at the beginning, but the natural prizes of profits are now proving effective. These in many cases are very large, as will be seen from some figures that follow:

A FEW OF THE PRIZE WINNERS, GIRLS' CANNING CLUBS.

Name of Winner	Address	State	Weight of Fresh Tomatoes	Weight of Cans	Profit
Erin Westbrook.	Odenville	Alabama	3,365 lbs.	1,355	$ 88.25
Fay Parker.....	Beebe	Arkansas	1,267 lbs.	148	152.83
Isabel Davis....	Summerfield	Florida	3,086½ lbs.	902	108.14
Clyde Sullivan...	Ousley	Georgia	5,354 lbs.	2,456	132.39

The profits include in addition to the ordinary market value of the product, extras from county fair awards and from the sale of seed at fancy prices.

In 1912 there were in these clubs ninety thousand

boys and twenty-three thousand girls, and their productions per acre were much above those of the adult farmers of the neighborhood.

SAMPLE REPORTS OF BOYS' CORN CLUBS

State.	Number Reporting.	Number 100 bu. or more.	Average Yield per Acre of Boys.	Yield per Acre in State 1913.
Alabama	755	64	57.92	17
Arkansas	760	18	45	19
Florida	246	5	46.25	15
Georgia	3000	90	52	16

Management as Well as Theory of Corn Clubs Is Good.—Real financial training means a pretty broad life training. It involves (1) some motive for effort; (2) learning how effort may be directed so as to produce the most money; (3) learning how most of the desirable things of life may be obtained with this money.

Ownership and independent control, which are the first conditions of membership in a corn club, furnish the motive, and this is strengthened by prizes, honors and success. The second condition is secured by means of instructive leaflets which tell how to grow and market crops successfully and by supervision and advice on the part of the directors of the work. The instructions regarding the production of standard products, true to label, emphasize a very important business principle now recog-

nized by all persons and firms who do business with distant and personally unknown customers.

The third form of financial training, that of teaching how to spend money, is not given directly by the corn clubs, but indirectly it is given. Those joining the club learn of many things useful and esthetic in modern life that were previously unknown to them. The encouragement given to young people to go to agricultural and other schools results in bringing to many of them not only increased knowledge of how to make money, but also greatly broadened ideas as to how it may be spent.

Marketing.—How to market is described in circulars and further assistance is given by furnishing standard labels, to be used only by those who have fulfilled the required conditions.

Truthfulness and honesty are developed by having the young people keep definite records that are properly certified, and by granting awards, labels or brands only where this has been done according to directions.

Cooperative Club Work.—The work is made still more broadening and effective by cooperating with agricultural societies, commercial organizations, schools and societies for the promotion of thrift. The original corn clubs were extended so that now there are a variety of products clubs, some suited for small city yards and for girls as well as

boys. The work is also being carried on in the North as well as in the South. Arrangements are now being made for contests covering more than one year, in order that the value of crop rotation and of stock raising as a means of increasing soil fertility may be taught.

Achievement Clubs.—The work is now being still further broadened into extra or superfinancial lines by the establishment of "Achievement Clubs." Badges are to be given for various achievements that mean improvement of head, hands, heart or health. It is well to recognize that other than financial achievements are worth while, but some further experimenting will be necessary before we can be as sure of the best methods of working along this line as we are in the financial line. In no other kind of effort, except perhaps in athletics, do we have as accurate a measure of achievements as in financial affairs. It must also be remembered that the attempt to make a record in some lines, especially in the higher forms of moral action where there is no accurate measure, may produce acts and states of mind that are not desirable. Much of what is outlined for achievement contests will undoubtedly give good results, but some parts may need to be changed.

All the common forms of morality may be taught in connection with financial training, and when we

have a fuller knowledge of health and social problems in relation to financial affairs it may be that even the highest forms of morality may be developed in connection with altruistic effort to maintain the health and happiness of laborers, and produce effective cooperation in economic affairs of all members of the community, the state, the nation and even the world.

APPENDIX

APPENDIX*

My little boy is given a cent by Petrine with instructions to go to the baker's and buy some biscuits.

By that which fools call an accident, but which is really a divine miracle, if miracles there be, I overhear this instruction. Then I stand at my window and see him cross the street in his slow way and with bent head; only he goes slower than usual and with his head bent more deeply between his small shoulders.

He stands long outside the baker's window, where there is a confused heap of lollipops and chocolates and sugar-sticks and other things created for a small boy's delight. Then he lifts his young hand, opens the door, disappears and presently returns with a great paper bag, eating with all his might.

And I, who, Heaven be praised, have myself been a thief in my time, run all over the house and give my orders.

My little boy enters the kitchen.

---

*From *My Little Boy*, by Carl Ewald (translated by Alexander Teixeira de Mattos). Here reprinted with the kind permission of the publishers, Messrs. Charles Scribner's Sons.

"Put the biscuits on the table," says Petrine.

He stands still for a moment and looks at her and at the table and at the floor. Then he goes silently to his mother.

"You're quite a big boy now that you can buy biscuits for Petrine," says she, without looking up from her work.

His face is very long, but he says nothing. He comes quietly in to me and sits down on the edge of a chair.

"You have been over the way, at the baker's?"

He comes up to me, where I am sitting and reading, and presses himself against me. I do not look at him, but I can perceive what is going on inside him.

"What did you buy at the baker's?"

"Lollipops."

"Well, I never! What fun! Why, you had some lollipops this morning. Who gave you the money this time?"

"Petrine."

"Really! Well, Petrine is certainly very fond of you. Do you remember the lovely ball she gave you on your birthday?"

"Father, Petrine told me to buy a cent's worth of biscuits,"

"Oh, dear!"

It is very quiet in the room. My little boy cries

bitterly and I look anxiously before me, stroking his hair the while.

"Now you have fooled Petrine badly. She wants those biscuits, of course, for her cooking. She thinks they're on the kitchen-table and, when she goes to look, she won't find any. Mother gave her a cent for biscuits. Petrine gave you a cent for biscuits and you go and spend it on lollipops. What are we to do?"

He looks at me in despair, holds me tight, says a thousand things without speaking a word.

"If only we had a cent," I say. "Then you could rush over the way and fetch the biscuits."

"Father . . ." His eyes open very wide and he speaks so softly that I can hardly hear him. "There is a cent on mother's writing-table."

"Is there?" I cry with delight. But, at the same moment, I shake my head and my face is overcast again. "That is no use to us, my little boy. That cent belongs to mother. The other was Petrine's. People are so terribly fond of their money and get so angry when you take it from them. I can understand that, for you can buy such an awful lot of things with money. You can get biscuits and lollipops and clothes and toys and half the things in the world. And it is not so easy either to make money. Most people have to drudge all day long to earn as much as they want. So it is no wonder that they

get angry when you take it. Especially when it is only for lollipops. Now Petrine . . . she has to spend the whole day cleaning rooms and cooking dinner and washing up before she gets her wages. And out of that she has to buy clothes and shoes . . . and you know that she has a little girl whom she has to pay for at Madam Olsen's. She must certainly have saved very cleverly before she managed to buy you that ball."

We walk up and down the room, hand in hand. He keeps on falling over his legs, for he can't take his eyes from my face.

"Father . . . haven't you got a cent?"

I shake my head and give him my purse:

"Look for yourself," I say. "There's not a cent in it. I spent the last this morning."

We walk up and down. We sit down and get up and walk about again. We are very gloomy. We are bowed down with sorrow and look at each other in great perplexity.

"There might be one hidden away in a drawer somewhere," I say.

We fly to the drawers.

We pull out thirty drawers and rummage through them. We fling papers in disorder, higgledy-piggledy, on the floor: What do we care? If only, if only we find a cent . . .

Hurrah!

We both, at last, grasp at a cent, as though we would fight for it . . . we have found a beautiful, large cent. Our eyes gleam and we laugh through our tears.

"Hurry now," I whisper. "You can go this way . . . through my door. Then run back quickly up the kitchen stairs, with the biscuits, and put them on the table. I shall call Petrine, so that she doesn't see. And we won't tell anybody."

He is down the stairs before I have done speaking. I run after him and call to him:

"Wasn't it a splendid thing that we found that cent?" I say.

"Yes," he answers, earnestly.

And he laughs for happiness and I laugh too and his legs go like drumsticks across to the baker's.

From my window, I see him come back, at the same pace, with red cheeks and glad eyes. He has committed his first crime. He has understood it. And he has not the sting of remorse in his soul nor the black cockade of forgiveness in his cap.

The mother of my little boy and I sit until late at night talking about money, which seems to us the most difficult matter of all.

For our little boy must learn to know the power of money and the glamour of money and the joy of money. He must earn much money and spend much money. . . .

Yet there were two people, yesterday, who killed a man to rob him of four dollars and thirty-seven cents. . . .

. . . . . .

It has been decreed in the privy council that my little boy shall have a weekly income of one cent. Every Sunday morning, that sum shall be paid to him, free of income-tax, out of the treasury and he has leave to dispose of it entirely at his own pleasure.

He receives this announcement with composure and sits apart for a while and ponders on it.

"Every Sunday?" he asks.

"Every Sunday."

"All the time till the summer holidays?"

"All the time till the summer holidays."

In the summer holidays, he is to go to the country, to stay with his godmother, in whose house he was pleased to allow himself to be born. The summer holidays are, consequently, the limits of his calculations of time: beyond them lies, for the moment, his Nirvana.

And we employ this restricted horizon of ours to further our true happiness.

That is to say, we calculate, with the aid of the almanac, that if everything goes as heretofore, there will be fifteen Sundays before the summer holidays. We arrange a drawer with fifteen compartments and in each compartment we put one cent. Thus

we know exactly what we have and are able at any time to survey our financial status.

And, when he sees that great lot of cents lying there, my little boy's breast is filled with mad delight. He feels endlessly rich, safe for a long time. The courtyard rings with his bragging, with all that he is going to do with his money. His special favorites are invited to come up and view his treasure.

The first Sunday passes in a normal fashion, as was to be expected.

He takes his cent and turns it straightway into a stick of chocolate of the best sort, with almonds on it and sugar, in short, an ideal stick in every way. The whole performance is over in five minutes: by that time, the stick of chocolate is gone, with the sole exception of a remnant in the corners of our mouth, which our ruthless mother wipes away, and a stain on our collar, which annoys us.

He sits by me, with a vacant little face, and swings his legs. I open the drawer and look at the empty space and at the fourteen others:

"So *that's* gone," I say.

My accent betrays a certain melancholy, which finds an echo in his breast. But he does not deliver himself of it at once.

"Father . . . is it long till next Sunday?"

"Very long, my boy; ever so many days."

We sit a little, steeped in our own thoughts. Then I say, pensively:

"Now, if you had bought a top, you would perhaps have had more pleasure out of it. I know a place where there is a lovely top: red, with a green ring around it. It is just over the way, in the toy-shop. I saw it yesterday. I should be greatly mistaken if the toyman was not willing to sell it for a cent. And you've got a whip, you know."

We go over the way and look at the top in the shop-window. It is really a splendid top.

"The shop's shut," says my little boy, despondently.

I look at him with surprise:

"Yes, but what does that matter to us? Anyway, we can't buy the top before next Sunday. You see, you've spent your cent on chocolate. Give me your handkerchief: there's still a bit on your cheek."

There is no more to be said. Crestfallen and pensively, we go home. We sit a long time at the dining-room window, from which we can see the window of the shop.

During the course of the week, we look at the top daily, for it does not do to let one's love grow cold. One might so easily forget it. And the top shines always more seductively. We go in and make sure that the price is really in keeping with our means. We make the shopkeeper take a solemn oath to keep

the top for us till Sunday morning, even if boys should come and bid him much higher sums for it.

On Sunday morning, we are on the spot before nine o'clock and acquire our treasure with trembling hands. And we play with it all day and sleep with it at night, until, on Wednesday morning, it disappears without a trace, after the nasty manner which tops have.

When the turn comes of the next cent, something remarkable happens.

There is a boy in the courtyard who has a skipping-rope and my little boy, therefore, wants to have a skipping-rope too. But this is a difficult matter. Careful inquiries establish the fact that a skipping-rope of the sort used by the upper classes is nowhere to be obtained for less than five cents.

The business is discussed as early as Saturday:

"It's the simplest thing in the world," I say. "You must not spend your cent to-morrow. Next Sunday you must do the same and the next and the next. On the Sunday after that, you will have saved your five cents and you can buy your skipping-rope at once."

"When shall I get my skipping-rope then?"

"In five Sundays from now."

He says nothing, but I can see that he does not think my idea very brilliant. In the course of the day, he derives, from sources unknown to me, an

acquaintance with financial circumstances which he serves up to me on Sunday morning in the following words:

"Father, you must lend me five cents for the skipping-rope. If you will lend me five cents for the skipping-rope, I'll give you *forty* cents back. . . ."

He stands close to me, very red in the face and quite confused. I perceive that he is ripe for falling into the claws of usurers:

"I don't do that sort of business, my boy," I say. "It wouldn't do you any good either. And you're not even in a position to do it, for you have only thirteen cents, as you know."

He collapses like one whose last hope is gone.

"Let us just see," I say.

And we go to our drawer and stare at it long and deeply.

"We might perhaps manage it this way, that I give you five cents now. And then I should have your cent and the next four cents . . ."

He interrupts me with a loud shout. I take out my purse, give him five cents and take one cent out of the drawer:

"That won't be pleasant next Sunday," I say, "and the next and the next and the next. . . ."

But the thoughtless youth is gone.

Of course, the instalments of his debt are paid off

with great ceremony. He is always on the spot himself when the drawer is opened and sees how the requisite cent is removed and finds its way into my pocket instead of his.

The first time, all goes well. It is simply an amusing thing that I should have the cent; and the skipping-rope is still fresh in his memory, because of the pangs which he underwent before its purchase. Next Sunday, already the thing is not *quite* so pleasant and, when the fourth instalment falls due, my little boy's face looks very gloomy:

"Is anything the matter?" I ask.

"I should so much like a stick of chocolate," he says, without looking at me.

"Is that all? You can get one in a fortnight. By that time, you will have paid for the skipping-rope and the cent will be your own again."

"I should so much like to have the stick of chocolate now."

Of course, I am full of the sincerest compassion, but I can't help it. What's gone is gone. We saw it with our own eyes and we know exactly where it has gone to. And, that Sunday morning, we part in a dejected mood.

Later in the day, however, I find him standing over the drawer with raised eyebrows and a pursed-up mouth. I sit down quietly and wait. And I do

not have to wait long before I learn that his development as an economist is taking quite its normal course.

"Father, suppose we moved the cent now from here into this Sunday's place and I took it and bought the chocolate-stick . . ."

"Why, then you won't have your cent for the other Sunday."

"I don't mind that, father. . . ."

We talk about it, and then we do it. And, with that, as a matter of course, we enter upon the most reckless peculations.

The very next Sunday, he is clever enough to take the furthest cent, which lies just before the summer holidays. He pursues the path of vice without a scruple, until the blow falls and five long Sundays come in a row without the least chance of a cent.

Where should they come from? They were there. We know that. They are gone. We have spent them ourselves.

But, during those drab days of poverty, we sit every morning over the empty drawer and talk long and profoundly about that painful phenomenon, which is so simple and so easy to understand and which one must needs make the best of.

And we hope and trust that our experience will do us good, when, after our trip, we start a new set of cents.

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